

February, 2022

TAX Bulletin

★ ★ VOLUME - 105 ★ ★
Budget Edition



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

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1. Preparation of Suggestions and Analysis of various Tax matters for best Management Practices and for the professional development of the members of the Institute in the field of Taxation.
2. Conducting webinars, seminars and conferences etc. on various taxation related matters as per relevance to the profession and use by various stakeholders.
3. Submit representations to the Ministry from time to time for the betterment and financial inclusion of the Economy.
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5. Conducting and monitoring of Certificate Courses on Direct and Indirect Tax for members, practitioners and stake holders and also Crash Courses on GST for Colleges and Universities.

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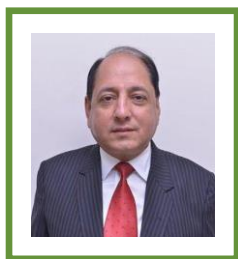
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CMA Rakesh Bhalla
Chairman, Direct Taxation Committee



CMA Chittaranjan Chattopadhyay
Chairman, Indirect Taxation Committee

FROM THE DESK OF CHAIRMAN

Dear Friends and Professional Colleagues,

Greetings from the Tax Research Department...!!!

Budget 2022-23 was placed on February 1, 2022 by our Hon'ble Finance Minister Smt Nirmala Sitharaman. The budget clearly aims to boost domestic manufacturing sector and a motive to create more jobs. The Budget revolves around the four key pillars viz. (i) Inclusive Development (ii) Productivity Enhancement (iii) Financing Investments and (iv) PM Gatishakti.

We would like to draw your kind attention to the major changes that has announced in our Budget Session. The major changes brought in include:

- Govt proposes to increase tax deduction from 10% to 14% on contribution in NPS by state govts to employees.
- Concessional corporate tax rate of 15 pc would be available for 1 more year till March 2024 for newly incorporated manufacturing companies.
- 30% tax on income from transfer of virtual digital assets; no deduction on expenses except cost of acquisition.
- PM's Development Initiative for North East to be implemented through North Eastern Council, initial allocation of Rs 1,500 cr for scheme.
- One per cent TDS on transfer of virtual assets above a threshold, gifts to be taxed.
- Any cess or surcharge on income not allowed as business expenditure.
- Fiscal deficit at 6.9 per cent of GDP in 2021-22, 6.4 per cent in 2022-23.
- Total expenditure in FY23 estimated at Rs 39.45 lakh cr; total resources mobilisation to be Rs 22.84 lakh cr other than borrowing
- Govt to provide one-time window to correct omissions in ITRs filed, updated returns to be filed within 2 years
- Govt proposes to reduce Minimum Alternative Tax to 15 pc for co-op societies, at par with corporate.
- In 2022-23, states will be allowed fiscal deficit of up to 4 pc of GSDP
- Rs 1 lakh crore financial assistance to states to be provided in 2022-23 to catalyse investments
- Proposed to introduce Digital Rupee by RBI using block chain technology, starting 2022-23.
- Measures will be taken to step up private capital in infra sector.
- PE/VC invested Rs 5.5 lakh crore in startup, expert committee will be set up to suggest measures to help attract investment

- Data centre and energy storage system to be given infrastructure status; move to provide easy financing.
- International arbitration centre will be set up in GIFT city to provide faster dispute resolution.
- World-class university to be allowed in GIFT IFSC free from domestic regulation.
- Sovereign green bonds to be issued to mobilise resources as part of govt's borrowing programme
- Effective capital expenditure will be Rs 10.68 lakh crore, or 4.1 pc of GDP, in 2022-23
- Public investment must take lead to pump prime private investment and support demand
- Outlay for capital expenditure stepped up 35.4 pc to Rs 7.5 lakh crore in FY'23
- Financial support will be provided to farmers to take up agro-forestry.
- Contracts for laying of optical fibre net to all villages under Bharat Net to be provided under PPP mode.
- Govt committed to reduce import and promote self-reliant in defense sector.
- 68 per cent of capital for defence sector to be earmarked for local industry.
- Five pc of USO Fund to be provided for R&D and technology upgradation.
400 new generation Vande Bharat trains to be manufactured in next 3 years.
- Spectrum auction will be conducted to roll out 5G mobile services within 2022-23 by private firms.
- Four pilot projects for coal gasification to be set up.
- Rs 19,500 cr additional allocation for PLI for manufacturing high efficiency solar modules has been made
- Low carbon development strategy opens up employment opportunity
- Big private investment in infra would be guided by Gati Shakti.
- National Highways will be extended by 25,000 km during 2022-23.
- 60 Lakh new job opportunities are proposed to be created
- One product one railway station will be popularised, 400 new Vande Bharat trains to be introduced.
- Sharp rebound in economy reflected in 2021-22, growth expected at 9.2%.
- Virtuous cycle of investment expected to revive on the back of capex and crowd in private investment.

Looking at the vision of our Government, we feel that this budget seeks to complement macro-economic level all-inclusive welfare of our economy. It is seen that the focus of the Union Budget is on providing basic amenities to the poor, middle class and youth. We are optimistic that our Nation is on the right track for progressing towards a 5 trillion dollar economy.

We commend this aspiration and stand in sync with the Government. We assure our continuous support in the development of our nation.

Jai Hind.

Warm Regards



(Rakesh Bhalla)

CMA Rakesh Bhalla
4th February 2022



CMA Chittaranjan Chattopadhyay
4th February 2022

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Articles on the Topics of Direct and Indirect Taxation are invited from readers and authors. Along with the article please share a recent passport-sized photograph, a brief profile and the contact details. The articles should be the author's own original.

Please send the articles to

trd@icmai.in /trd.ad1@icmai.in

UNION BUDGET 2022 – KEY CHANGES PROPOSED IN GOODS AND SERVICES TAX



CMA Susanta Kumar Saha
Cost Accountant
Tax and Management Consultant

Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
Input Tax Credit – Proposed changes - to read section 49(4), section 38 and section 16(2) together :				
109(b)	49(4)	<p>Existing provision:</p> <p>The amount available in the electronic credit ledger may be used for making any payment towards output tax under this Act or under the Integrated Goods and Services Tax Act in such manner and subject to such conditions and within such time as may be prescribed.</p>	Inserted	<p>a. Prior to the proposal, government had the power to specify conditions for availment of input tax credit (ITC) which were mentioned in section 16(2). Conditions due to which ITC will not be available, popularly known as blocked credit, was specified under section 17(5) of the CGST Act, 2017 (herein after stated as Act, in short);</p>



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
		<p>Proposed amendment: The amount available in the electronic credit ledger may be used for making any payment towards output tax under this Act or under the Integrated Goods and Services Tax Act in such manner and subject to such conditions and restrictions and within such time as may be prescribed.</p>		<p>b. This amendment proposes to give power to government to bring restriction for availing of the benefit of input tax credit (ITC) in addition to specify the conditions.</p> <p>c. The restrictions, as proposed, are in addition to the existing restrictions brought in vide Rule 86A and Rule 86B.</p>
103	38	<p>Existing provision: Furnishing details of inward supplies – (1) Every registered person under sub-section (1) of section 37; (2) Every registered person as may be prescribed: Provided specified therein: Provided further notified by the Commissioner. (3) The details of supplies modified, as may be prescribed. (4) The details of supplies modified as may be prescribed. (5) Any registered person, to be furnished for such tax period; Provided that no rectification annual return, whichever earlier.</p> <p>Proposed amendment: Communication of details of inward supplies and input tax credit. “38. (1) The details of outward supplies furnished by the registered persons under sub-section (1) of section 37 and of such other supplies as may be prescribed, and an autogenerated statement containing the details of input tax credit shall be made available electronically to the recipients of such supplies in such form and manner, within such time, and subject to such conditions and restrictions as may be prescribed.</p>	Substitution	<ul style="list-style-type: none"> ➤ Section 38 has been completely substituted. ➤ Heading has been changed from Furnishing details of inward supplies to Communication of details of inward supplies and input tax credit. ➤ As there is no requirement to file details of inward supplies by a taxpayer, the sub-sections have been proposed to be omitted. ➤ An auto-generated statement of input tax credit based on the outward supplies furnished by the suppliers shall be made available electronically to the recipient taxpayers; ➤ To be prescribed: <ul style="list-style-type: none"> ✓ Form, ✓ manner, ✓ time period, ✓ conditions and restrictions; ➤ Auto-generated statement shall contain the following details:- ➤ details of available input tax credit based on inward supplies;

Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
		<p>(2) The auto-generated statement under sub-section (1) shall consist of—</p> <p>(a) details of inward supplies in respect of which credit of input tax may be available to the recipient; and</p> <p>(b) details of supplies in respect of which such credit cannot be availed, whether wholly or partly, by the recipient, on account of the details of the said supplies being furnished under sub-section (1) of section 37,—</p> <p>(i) by any registered person within such period of taking registration as may be prescribed; or</p> <p>(ii) by any registered person, who has defaulted in payment of tax and where such default has continued for such period as may be prescribed; or</p> <p>(iii) by any registered person, the output tax payable by whom in accordance with the statement of outward supplies furnished by him under the said sub-section during such period, as may be prescribed, exceeds the output tax paid by him during the said period by such limit as may be prescribed; or</p> <p>(iv) by any registered person who, during such period as may be prescribed, has availed credit of input tax of an amount that exceeds the credit that can be availed by him in accordance with clause (a), by such limit as may be prescribed; or</p> <p>(v) by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of sub-section (12) of section 49 subject to such conditions and restrictions as may be prescribed; or</p> <p>(vi) by such other class of persons as may be prescribed.”.</p>		<ul style="list-style-type: none"> ➤ details of non-available due to imposition of restrictions (not to be read as denial), input tax credit on account of the following reasons:- ✓ in case of taxpayers obtained new registration (clarity awaited) ✓ where the supplier dealer has defaulted in payment of tax, meaning thereby, liability of recovery has been shifted to the recipient taxpayer for default of payment by supplier. However, recipient has no control over the affairs/ activities of the supplier dealer; ✓ where the outward tax liability as per FORM GSTR-1 is greater than FORM GSTR - 3B of the supplier taxpayer; ✓ period to be specified; ✓ clarity awaited; ✓ taxpayers (supplier dealer) availed an amount of input tax more than what is available to him in accordance with clause (a); ✓ period to be specified; ✓ clarity awaited; ✓ where a taxpayer has been defaulted in accordance with the provision of sec 49(10); ✓ clarity awaited; ➤ The auto – generated statement appears to become the key document for determining available ITC. ➤ Menace of issuance of fake invoices / claim of fraudulent input tax credit by a section of scrupulous taxpayer has made the government to tighten the nose.



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
				<ul style="list-style-type: none"> ➤ Seamless flow of credit in GST regime has been the backbone since promulgation, to avoid the cascading effect, has taken a back seat now. ➤ Quite a challenge is foreseen in implementing the proposed conditions as they are likely to be tested in the Court of law on the ground that the recipient taxpayer cannot be burdened with the responsibility for failure of the supplier dealers, if he (recipient) has otherwise complied with the conditions of claiming input tax credit.
99(a)(i)	Section 16(2)	<p>Proposed amendment:</p> <p>“(ba) the details of input tax credit in respect of the said supply communicated to such registered person under section 38 has not been restricted;”</p>	Inserted	<ul style="list-style-type: none"> ➤ The aspect of “restriction” in claiming the benefit of input tax credit (ITC) has been brought in the Act, as detailed in section 38 of the Act, based on the power given under section 49(4); ➤ Restricted ITC as per section 38 cannot be claimed; ➤ Recipient taxpayers are burdened on account of default and / or other non-compliance by the vendor taxpayer.

Background for bringing the above Amendment: [Refer to Agenda (Volume 2) of 43rd GST Council meeting, Sl. No. 1 of Table 1 of Annexure A and Sl. No 2 of Table - 1]

- ❖ Amendment has been proposed in section 38, which, inter-alia, provides that details of outward supplies furnished by the suppliers that are to be communicated to the recipients may be restricted in specified cases. Accordingly, it is proposed to provide in law that the recipient shall not be eligible for ITC corresponding to such details which have not been communicated for which clause (ba) is proposed to be added in section 16(2).
- ❖ The present sub-sections to be omitted in entirety as there is no requirement of furnishing details of inward supplies.
- ❖ The new section to provide that details of inward supplies shall be made available to the recipients in a prescribed manner. This is essentially an enabling provision to provide for GSTR-2B. the requirement that reversals are required to be carried out arises from Chapter V, and is therefore not required to be mentioned here.
- ❖ Further, provision to implement spike rule is incorporated in subsection (2)

Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks	
Changes in time limit:					
99(b)	16(4)	<p>Proposed Amendment for claiming input tax credit:</p> <p>A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September thirtieth day of November following the end of financial year to which such invoice or debit note pertains or furnishing of the relevant annual return, whichever is earlier.</p>	Substituted	Earlier time limit	New time limit
				Can be claimed within due date of filing Form GSTR-3B of September in the next financial year.	Can be claimed within 30 th November of next financial year. Therefore, effectively the credit can be availed while filing Form GSTR-3B of October in the next financial year provided filed within 30 th of November.
101	34(2)	<p>Proposed Amendment for issuance of credit note:</p> <p>Any registered person who issues a credit note in relation to a supply of goods or services or both shall declare the details of such credit note in the return for the month during which such credit note has been issued but not later than September the thirtieth day of November following the end of the financial year in which such supply was made, or the date of furnishing of the relevant annual return, whichever is earlier, and the tax liability shall be adjusted in such manner as may be prescribed:</p>	Substituted	Earlier time limit	New time limit
				Can be issued within due date of filing Form GSTR-3B of September in the next financial year	Can be issued within 30 th November of next financial year.



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
102(c)(ii)	First proviso to section 37(3)	Proposed Amendment for making amendment in Form GSTR-1: Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September the thirtieth day of November following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier.	Substituted	Can be amended within due date of filing Form GSTR-3B of September in the next financial year. Can be issued within 30 th November of next financial year.
104(c)(ii)	Proviso to section 39(9)	Proposed Amendment for making amendment in Form GSTR-3B: Provided that no such rectification of any omission or incorrect particulars shall be allowed after the due date for furnishing of return for the month of September or second quarter the thirtieth day of November following the end of the financial year, or the actual date of furnishing of relevant annual return, whichever is earlier.	Substituted	Earlier time limit New time limit Can be amended within due date of filing Form GSTR-3B of September in the next financial year. Can be issued within 30 th November of next financial year.
<p>Background for bringing the above Amendment for extension of time line: [Refer to 43rd GST Council meeting] “Law Committee has recommended that a fixed date 30th November be fixed for the same as it serves two purposes: a. In the portal, after the cutoff date no amendment would be permitted. b. It provides one more month to taxpayer to amend their returns”</p>				
100(a)	Clause (b) of 29(2)	Proposed Amendment: a person paying tax under section 10 has not furnished returns for three consecutive tax periods the return for a financial year beyond three months from the due date of furnishing the said return;	Substituted	For person opted composition scheme, tax is payable quarterly but return is to be filed annually. Thus, the time limit has been restricted to three months from the due date.
100(b)	Clause (c) of 29(2)	Proposed Amendment: any registered person, other than a person specified in clause (b), has not furnished returns for a continuous period of six months such continuous tax period as may be prescribed;	Substituted	For other tax payers

Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
102(a) (i) & 102(a)(ii)	37(1)	Proposed Amendment: (1) Every registered person, other than an Input Service Distributor, a non-resident taxable person and a person paying tax under the provisions of section 10 or section 51 or section 52, shall furnish, electronically, subject to such conditions and restrictions and in such form and manner as may be prescribed, the details of outward supplies of goods or services or both effected during a tax period on or before the tenth day of the month succeeding the said tax period and such details shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed shall, subject to such conditions and restrictions, within such time and in such manner as may be prescribed, be communicated to the recipient of the said supplies:	Inserted Substituted	Amendment in sub-section (1) has been proposed to bring in conditions and restrictions through rules.
102(a) (iii)	First proviso to section 37(1)	Proposed Amendment: Provided that the registered person shall not be allowed to furnish the details of outward supplies during the period from the eleventh day to the fifteenth day of the month succeeding the tax period:	Omitted	
102(a)(iv)	Second proviso to section 37(1)	Proposed Amendment: Provided further that the Commissioner may, for reasons to be recorded in writing, by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein:	Substituted	
102(a)(v)	Third proviso to section 37(1)	Proposed Amendment: Provided also further that any extension of time limit notified by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be notified by the Commissioner.	Substituted	



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
100(b)	37(2)	Proposed Amendment: (2) Every registered person who has been communicated the details under sub-section (3) of section 38 or the details pertaining to inward supplies of Input Service Distributor under sub-section (4) of section 38, shall either accept or reject the details so communicated, on or before the seventeenth day, but not before the fifteenth day, of the month succeeding the tax period and the details furnished by him under sub-section (1) shall stand amended accordingly.	Omitted	In the absence of originally perceived two way matching concept, this section in any way has become redundant and thus omitted.
100(c) (i) & 100(c)(ii)	37(3)	Proposed Amendment: (3) Any registered person, who has furnished the details under sub-section (1) for any tax period and which have remained unmatched under section 42 or section 43 , shall, upon discovery of any error or omission therein, rectify such error or omission in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period:	Omitted	Section 42 and 43 has been proposed to be done away with and accordingly a parity has been brought in.
100(d)	37(4)	Proposed Amendment for insertion of a new sub-section: “(4) A registered person shall not be allowed to furnish the details of outward supplies under sub-section (1) for a tax period, if the details of outward supplies for any of the previous tax periods has not been furnished by him: Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish the details of outward supplies under sub-section (1), even if he has not furnished the details of outward supplies for one or more previous tax periods.”.	Inserted	<ul style="list-style-type: none"> ➤ It appears that Government is inclined to ensure sequential filing of Form GSTR-1 as the details of outward supplies cannot furnished for a later period without furnishing for earlier period; ➤ GSTN portal is in anyway blocking furnishing of details for the later period without any legal back up which has now been provided for; ➤ Sequential filing of Form GSTR-1 will help the recipient taxpayers to claim input tax credit.



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
104(a)	39(5)	<p>Proposed Amendment: (5) Every registered non-resident taxable person shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, within twenty thirteen days after the end of a calendar month or within seven days after the last day of the period of registration specified under sub-section (1) of section 27, whichever is earlier.</p>	Substituted	
104(b)	First proviso to section 39(7)	<p>Existing Provision: Provided that every registered person furnishing return under the proviso to sub-section (1) shall pay to the Government, the tax due taking into account inward and outward supplies of goods or services or both, input tax credit availed, tax payable and such other particulars during a month, in such form and manner, and within such time, as may be prescribed:</p> <p>Proposed Amendment: “Provided that every registered person furnishing return under the proviso to sub-section (1) shall pay to the Government, in such form and manner, and within such time, as may be prescribed,— (a) an amount equal to the tax due taking into account inward and outward supplies of goods or services or both, input tax credit availed, tax payable and such other particulars during a month; or (b) in lieu of the amount referred to in clause (a), an amount determined in such manner and subject to such conditions and restrictions as may be prescribed.”;</p>	Substituted	



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
104(c)(i)	39(9)	<p>Proposed Amendment: (9) Subject to the provisions of sections 37 and 38, if Where any registered person after furnishing a return under sub-section (1) or sub-section (2) or sub-section (3) or subsection (4) or sub-section (5) discovers any omission or incorrect particulars therein, other than as a result of scrutiny, audit, inspection or enforcement activity by the tax authorities, he shall rectify such omission or incorrect particulars in the return to be furnished for the month or quarter during which such omission or incorrect particulars are noticed, subject to payment of interest under this Act:</p>	Substituted	
104(d)	39(10)	<p>Proposed Amendment: (10) A registered person shall not be allowed to furnish a return for a tax period if the return for any of the previous tax periods has not been furnished by him or the details of outward supplies under sub-section (1) of section 37 for the said tax period has not been furnished by him:</p> <p>Provided that the Government may, on the recommendations of the Council, by notification, subject to such conditions and restrictions as may be specified therein, allow a registered person or a class of registered persons to furnish the return, even if he has not furnished the returns for one or more previous tax periods or has not furnished the details of outward supplies under sub-section (1) of section 37 for the said tax period.”.</p>	Substituted	If Form GSTR-1 has not been filed by a taxpayer, Form GSTR-3B cannot be filed.

Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
105	41	<p>Existing Provision:</p> <p>Claim of input tax credit and provisional acceptance thereof.— (1) Every registered person shall, subject to such conditions and restrictions as may be prescribed, be entitled to take the credit of eligible input tax, as self-assessed, in his return and such amount shall be credited on a provisional basis to his electronic credit ledger.</p> <p>(2) The credit referred to in sub-section (1) shall be utilised only for payment of self-assessed output tax as per the return referred to in the said sub-section.</p> <p>Proposed Amendment:</p> <p>Availment of input tax credit.</p> <p>(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed, be entitled to avail the credit of eligible input tax, as self-assessed, in his return and such amount shall be credited to his electronic credit ledger.</p> <p>(2) The credit of input tax availed by a registered person under sub-section (1) in respect of such supplies of goods or services or both, the tax payable whereon has not been paid by the supplier, shall be reversed along with applicable interest, by the said person in such manner as may be prescribed:</p> <p>Provided that where the said supplier makes payment of the tax payable in respect of the aforesaid supplies, the said registered person may re-avail the amount of credit reversed by him in such manner as may be prescribed.”</p>	Substituted	<ul style="list-style-type: none"> ➤ Pending Form GSTR – 2 and Form GSTR – 3 becoming operational, matching of invoices as originally envisaged, input tax credit was claimed on a provisional basis. ➤ Filing of Form GSTR – 2 and Form GSTR – 3 has been proposed to be done away with. Hence, input tax credit will be claimed as self-assessed. ➤ Recipient taxpayer to reverse input tax credit (ITC) along with interest when the supplier taxpayer (vendor) has not paid tax. ➤ Input tax credit (ITC) may be re-availed when the unpaid tax in question has been paid by the supplier; ➤ No time limit has been prescribed to re-avail ITC.



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
106	42, 43 and 43A	<p>Section 42: Matching, reversal and reclaim of input tax credit.—</p> <p>Section 43: Matching, reversal and reclaim of reduction in output tax liability.—</p> <p>Section 43A:-</p>	Omitted	<ul style="list-style-type: none"> ➤ Government has scrapped Form GSTR – 2 and Form GSTR - 3 even without implementing them; ➤ Consequent to the above, original concept of matching invoices through Form GSTR – 2 and Form GSTR – 3 has been proposed to be done away with; ➤ All the three sections have become redundant and thus, proposed to be omitted.
107 (a), (b) and (c)	47(1)	<p>Proposed Amendment:</p> <p>(1) Any registered person who fails to furnish the details of outward or inward supplies required under section 37 or section 38 or returns required under section 39 or section 45 or section 52 by the due date shall pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum amount of five thousand rupees.</p>	<p>Clause (a) omitted</p> <p>Clause (b) omitted, and</p> <p>Clause (c) inserted.</p>	<ul style="list-style-type: none"> ➤ Changes proposed vide clause (a) or clause (b) are consequential, while late fees has been proposed for delayed filing of TCS return u/s 52.
109(a)	49(2)	<p>Proposed Amendment:</p> <p>(2) The input tax credit as self-assessed in the return of a registered person shall be credited to his electronic credit ledger, in accordance with section 41 or section 43A, to be maintained in such manner as may be prescribed.</p>	Omitted	<ul style="list-style-type: none"> ➤ Omission of section 43A is consequential effect.

Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
109(c)	49(10)	<p>Existing Provision: (10) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under this Act, to the electronic cash ledger for integrated tax, central tax, State tax, Union territory tax or cess, in such form and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act.</p> <p>Proposed Amendment: (10) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under this Act, to the electronic cash ledger for,—</p> <p>(a) integrated tax, central tax, State tax, Union territory tax or cess; or</p> <p>(b) integrated tax or central tax of a distinct person as specified in sub-section (4) or, as the case may be, sub-section (5) of section 25,</p> <p>in such form and manner and subject to such conditions and restrictions as may be prescribed and such transfer shall be deemed to be a refund from the electronic cash ledger under this Act:</p> <p>Provided that no such transfer under clause (b) shall be allowed if the said registered person has any unpaid liability in his electronic liability register.</p>	Substituted	<ul style="list-style-type: none"> ➤ Fund transfer from electronic cash ledger; ➤ Fund transfer to distinct person (within same PAN); ➤ Provided there is no liability outstanding in the electronic credit ledger; ➤ Form and manner to be specified.



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
109(d)	49(12)	<p>Proposed Amendment:</p> <p>(12) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, subject to such conditions and restrictions, specify such maximum proportion of output tax liability under this Act or under the Integrated Goods and Services Tax Act, 2017 which may be discharged through the electronic credit ledger by a registered person or a class of registered persons, as may be prescribed.</p>	Inserted	<p>Existing Restrictions:</p> <ul style="list-style-type: none"> ➤ The Commissioner has already the power to block debit to electronic credit ledger for conditions specified therein vide Rule 86A of the CGST Rules, 2017; ➤ Restriction to utilise balance available in electronic credit ledger (ECL) towards discharging output tax liability for more than 99% of such liability for the conditions specified in Rule 86B; <p>Proposed Restrictions:</p> <ul style="list-style-type: none"> ➤ Government has been empowered to bring in more restrictions, specify conditions, for such proportion of outward tax liability to be discharged through electronic credit ledger for such specified class of registered persons.
110	50(3)	<p>Existing Provision:</p> <p>(3) A taxable person who makes an undue or excess claim of input tax credit under sub-section (10) of section 42 or undue or excess reduction in output tax liability under sub-section (10) of section 43, shall pay interest on such undue or excess claim or on such undue or excess reduction, as the case may be, at such rate not exceeding twenty-four per cent., as may be notified by the Government on the recommendations of the Council.</p>	Substituted	<ul style="list-style-type: none"> ➤ Retrospective amendment has been proposed w.e.f 01.07.2017; ➤ Recommendation of GST Council in its 45th meeting was accepted and change has been brought in accordingly which stated, interest to be charged only in respect of net cash liability, section 50(3) to be amended w.e.f 01.07.2017, at a rate of 18%, on “ineligible ITC availed and utilised” and not on “ineligible ITC availed”. ➤ A strict interpretation of section 73(1) and section 74(1), to be read with section 50(3), provides recovery of interest for “where input tax credit has been wrongly availed or utilised” at a rate of 24%.

Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
		<p>Proposed Amendment: (3) Where the input tax credit has been wrongly availed and utilised, the registered person shall pay interest on such input tax credit wrongly availed and utilised, at such rate not exceeding twenty-four per cent. as may be notified by the Government, on the recommendations of the Council, and the interest shall be calculated, in such manner as may be prescribed.</p>		<ul style="list-style-type: none"> ➤ Changes in rate of interest under section 50(3) has also been proposed in clause no. 115, clause no. 118 and clause no. 121 of the Finance Bill 2022 as well. ➤ Going forward, interest will be paid at 18% on interest wrongly availed and utilised.
112(a)	Proviso to 54(1)	<p>Amendment Proposed: Provided that a registered person, claiming refund of any balance in the electronic cash ledger in accordance with the provisions of sub-section (6) of section 49, may claim such refund in the return furnished under section 39 in such such form and manner as may be prescribed.</p>	Substituted	Form to be notified.
112(b)	54(2)	<p>Amendment Proposed: (2) A specialised agency of the United Nations Organisation or any Multilateral Financial Institution and Organisation notified under the United Nations (Privileges and Immunities) Act, 1947, Consulate or Embassy of foreign countries or any other person or class of persons, as notified under section 55, entitled to a refund of tax paid by it on inward supplies of goods or services or both, may make an application for such refund, in such form and manner as may be prescribed, before the expiry of six months two years from the last day of the quarter in which such supply was received.</p>		Time limit has been extended to bring parity.



Clause No Finance Bill 2022	Section / Sub-section of CGST Act, 2017	Provision	Nature of Change suggested	Remarks
114(1)	146	<p>Amendment Proposed:</p> <p>Notification No. 9/2018 – Central Tax dated 23rd January, 2018 which was deemed to come into force w.e.f 16.01.2018, has been proposed to be amended retrospectively vide Fifth Schedule to the Finance Bill, 2022, and shall be deemed to have amended effective from 22.06.2017.</p>	Amendment	<p>Impact of amendment:</p> <ul style="list-style-type: none"> ➤ The followings have deemed to have been in force w.e.f 22.06.2017: ➤ www.gst.gov.in as the Common Goods and Services Tax Electronic Portal for different specified functions; ➤ www.ewaybillgst.gov.in as the Common Goods and Services Tax Electronic Portal for furnishing electronic way bill;
116(1) & (2)	9(1)	<p>Amendment Proposed:</p> <p>No central tax in respect of supply of unintended waste generated during production of fish meal (falling under heading 2301), except for fish oil, during the period 01.07.2017 to 30.09.2019;</p> <p>No refund of tax collected which otherwise should not have been collected, shall be made.</p>	Amendment	Original Notification is 01/2017 – Central Tax (Rate) dated 28.06.2017, and rate of tax prescribed was CGST 2.5% plus SGST 2.5%.
117(1) & (2)	7(2)	<p>Amendment Proposed:</p> <p>Retrospective amendment has been proposed for an entry which was notified vide Notification No. 25/2019 – Central Tax (Rate) dated 30.09.2019, such that, the entry shall be deemed to have, and always to have, for all purposes, come into force on and from the first day of July, 2017. The entry is as follows:</p> <p>Service by way of grant of alcoholic liquor licence, against consideration in the form of licence fee or application fee or by whatever name is called, shall be treated as neither supply of goods nor supply of services.</p>	Amendment	<p>Impact of amendment:</p> <ul style="list-style-type: none"> ➤ The notification was issued to implement recommendation of the 26th GST Council meeting held on 10th March, 2018; <p>Query:</p> <ul style="list-style-type: none"> ➤ Whether the licence fee or application fee paid for liquor licence, is a no supply or exempt supply? ➤ The answer to the above will have an impact.

Disclaimer: Views expressed above are strictly personal, solely for educational purpose and do not constitute any professional opinion or advice.

Budget Amendments – Goods and Services Tax



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Part I - Goods and Services Tax – Legal Amendments

Author's Note:

- 1. The Amendments have been regrouped section wise where ever possible, and if not then, logically.*
- 2. All the changes and amendments proposed in the Finance Bill 2022 shall apply only from date to be notified unless specifically mentioned*
- 3. Amendments focused on Overhaul of provisions relating to Return filing system, changes in act to overcome many provisions in Rules ultra vires the Act and a few tax payer friendly amendments*

Nature	Amendment
1. Restriction on Availment of ITC u/s 16 [Clause 99 of Finance Bill]	<p>A new clause 16(2)(ba) of the CGST Act is being inserted to provide that Input Tax Credit</p> <p>w.r.t. a supply can be availed only if such credit has not been restricted in the details communicated to the taxpayer under section 38.</p> <p>Further, 16(4) is being amended so as to provide for an extended time for availment of ITC by a registered person in respect of any invoice or debit note pertaining to a FY upto 30th day of November of the following FY.</p> <p>Impact: ITC can now be claimed by 30th November of next FY instead of September of next FY and 2 months extra time has been provided.</p>



Nature	Amendment
<p>2. Registration of a person is liable for cancellation – S. 29 [Clause 100]</p>	<p>Sec. 29(2)(b)/(c) amended so as to provide that the registration of a person is liable for cancellation, where –</p> <ul style="list-style-type: none"> (i) Composition Taxpayers: a person paying tax u/s 10 has not furnished the return for a Financial Year beyond 3 months from the due date of furnishing of the said return; (ii) Normal Tax Payers: has not furnished returns for such continuous tax period as maybe prescribed. <p>Impact: <i>Earlier Category (i) above – 3 consecutive tax periods and (ii) above 6 consecutive months were prescribed. Consequent to overhaul of return filing system, these amendments have been made</i></p>
<p>3. Extension of time for issuing of Cr. notes – S.34 [Clause 101]</p>	<p>Section 34 amended so as to provide for an extended time for issuance of credit notes in respect of any supply made in a financial year upto thirtieth day of November of the following financial year.</p> <p>Impact: <i>Time Limits u/s 16(4), 34 & 37 , 52 has been extended by 2 months</i></p>
<p>4. Conditions & restrictions for furnishing details of outward supply u/s 37 [Clause 102]</p>	<p>Section 37 of the CGST Act is being amended so as to:</p> <ul style="list-style-type: none"> (i) Provide for prescribing conditions and restrictions for furnishing the details of outward supply and for communication of the details of such outward supplies to concerned recipients; (ii) Do away with two-way communication process in return filing; (iii) Provide for extended time upto 30th day of November of the following financial year for rectification of errors in respect of details of outward supplies furnished earlier (iv) Provide for sequential filing of details of outward supplies
<p>5. Conditions and restrictions for inward supplies u/s 38 [Clause 103]</p>	<p>Section 38 of the CGST Act is being substituted for prescribing the manner as well as conditions and restrictions for communication of details of inward supplies and input tax credit to the recipient by means of an auto-generated statement and to do away with 2 way communication process in return filing.</p> <p>Impact: <i>Imposes a lot of restrictions on availment of ITC by Recipient based on compliance by Supplier. New Section 38 for prescribes the manner as well as conditions and restrictions for communication of details of inward supplies and Input Tax Credit to the recipient by means of an auto-generated statement Potential for heavy litigation. To be analysed along with Sec. 42 / 43 below</i></p>

Nature	Amendment
6. S.42 / 43 / 43A Omitted CGST Act [Clause 106]	<p>Sections 42, 43 and 43A of the CGST Act are being omitted so as to do away with two-way communication process in return filing.</p> <p>Impact: <i>GSTR 2 and GSTR3 and 2 way communication process in return filing Finally removed from Statute and replaced with matching process u/s 38.</i></p>
7. S. 39 amended [Clause 104]	<p>Section 39 of the CGST Act is being amended so as to:</p> <ul style="list-style-type: none"> (a) Provide that the Non-Resident Taxable Person shall furnish the return for a month by 13th day of the following month; (b) Provide an option to the persons furnishing return under proviso to sub-section (1), to pay either the self-assessed tax or an amount that may be prescribed; (c) Provide for an extended time upto 30th day of November of the following financial year, for rectification of errors in the return furnished u/s 39; (d) Provide for furnishing of details of outward supplies of a tax period u/s 37 (1) as a condition for furnishing the return under section 39 for the said tax period.
8. Provisional ITC Concept removed – New Sec. 41 [Clause 105]	<p>Section 41 of the CGST Act is being substituted so as to do away with the concept of “claim” of eligible input tax credit on a “provisional” basis and to provide for availment of Self - assessed input tax credit subject to such conditions and restrictions as may be prescribed.</p> <p>Impact: <i>New Sec. 41 introduced and concept of Provisional ITC removed.</i></p>
9. Levy of late fee for delayed filing of return u/s 52 [Clause 107]	<p>Section 47 of the CGST Act is being amended so as to provide for levy of late fee for delayed filing of return under section 52. Further, reference to section 38 is being removed consequent to the amendment in section 38 of the CGST Act.</p> <p>Impact: <i>Late fees introduced for delay in filing TCS statement by E_Comm operators.</i></p>



Nature	Amendment
<p>10. Restrictions for electronic credit ledger u/s 49 [Clause 109]</p>	<p>Section 49 of the CGST Act is being amended so as to:</p> <ul style="list-style-type: none"> (a) Provide for prescribing restrictions for utilizing the amount available in the e-credit ledger; (b) Allow transfer of amount available in electronic cash ledger under the CGST Act of a registered person to the electronic cash ledger under the said Act or the IGST Act of a distinct person; (c) Provide for prescribing the maximum proportion of output tax liability which maybe discharged through the electronic credit ledger. <p>Impact: Amount lying as balance in the Electronic Cash Ledger can now be transferred to the distinct person for utilization – Tax Payer friendly amendment. Validation of Rule 86B</p>
<p>11. Interest on ITC wrongly utilized u/s 50 (3) [Clause 110]</p>	<p>Sec. 50(3) is being substituted retrospectively, with effect from the 1st July, 2017, so as to provide for levy of interest on ITC wrongly availed and utilized.</p> <p>Notification No. 13/2017 – Central Tax, dated the 28th June, 2017, is being amended retrospectively, with effect from the 1st day of July, 2017, so as to notify rate of interest under subsection (3) of section 50 of the CGST Act as 18%. Corresponding IGST Notification 6/2017 – Integrated Tax and UGST Notification 10/2017 – Union Territory Tax are also amended retrospectively.</p> <p>Impact: Interest to be charged only if wrong ITC is availed and utilised. Though interest rate fixed through notifications at 18%, the presence of upper cap of 24% in the Act, is worrying</p>
<p>12. Extension of time u/s 52 (6) [Clause 111]</p>	<p>Section 52 of the CGST Act is being amended so as to provide for an extended time upto 30th day of November of the following financial year for rectification of errors in the statement furnished u/s 52(4).</p> <p>Impact: Time Limits u/s 16(4), 34 & 37 , 52 has been extended by 2 months</p>

Nature	Amendment
13. Claim of refund u/s 54 [Clause 112]	<p>Section 54 of the CGST Act is being amended so as to:</p> <p>Explicitly provide that refund claim of any balance in the e-cash ledger shall be made in such form and manner as may be prescribed;</p> <p>Provide the time limit for claiming refund of tax paid on inward supplies of goods or services or both under section 55 as 2 years from the last day of the quarter in which the said supply was received;</p> <p>Extend the scope of withholding of or recovery from refunds in respect of all types of refund;</p> <p>Provide clarity regarding the relevant date for filing refund claim in respect of supplies made to a Special Economic Zone developer or a Special Economic Zone unit by way of insertion of a new sub-clause (ba) in clause (2) of Explanation thereto.</p>
14. Common Portal for GST [Clause 114]	<p>Notification No. 9/2018 – Central Tax, dated the 23rd January, 2018, is being amended so as to notify www.gst.gov.in, retrospectively, with effect from 22nd June, 2017, as the Common Goods and Services Tax Electronic Portal, for all functions provided under Central Goods and Services Tax Rules, 2017, other than those provided for e-way bill and for generation of invoices under sub-rule (4) of rule 48 of the CGST Rules.</p>

Part II - GST – Significant Rate and Exemption Changes

15. Exemption for Fish Meal [Clause 116, 119, 122]	<p>Central Tax, Union Territory Tax and Integrated Tax on supply of unintended waste generated during the production of fish meal (falling under heading 2301), except fish oil, is being exempted during the period commencing from the 1st day of July, 2017, and ending with the 30th day of September, 2019 (both day has been inclusive), subject to the condition that, the same would not be eligible for refund if collected.</p>
16. Service by way of grant of alcoholic liquor license [Clause 117, 120, 123]	<p>Service by way of grant of alcoholic liquor license, against consideration in the form of license fee or application fee or by whatever name it is called by the State Governments, has been declared as an activity or transaction which shall be treated neither as a supply of goods nor a supply of service vide Notfn. No. 25/2019- CT (R), 24/2019- IT (R) & 25/2019- UT(R) dt. 30.09.2019 (with retrospective effect from 01.07.2017). However, no refund shall be made of tax which has been collected, but which would not have been so collected, had the said notifications been in force at all material times.</p>

HIGHLIGHTS OF UNION BUDGET 2022-2023 - CHANGES IN CUSTOMS



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The Finance Bill 2022, have proposed various changes in Customs Act, Customs Tariff Rates & Customs Rules. The gists of proposed changes are incorporated in the Finance Bill, 2022 summarized as under:

Important Changes in Customs

- Review of Customs duty exemptions and tariff simplification, about 350 exemptions proposed to be gradually withdrawn.
- As a simplification measure, several concessional rates are being incorporated in the Customs Tariff Schedule itself instead of prescribing them through multiple exemption notifications.
- Review of concessional rates of Customs duty exemptions on capital goods and project imports, more than 40 exemptions relating thereto are proposed to be gradually phased out.
- SEZ Act to be replaced with new legislation, changes in Customs administration of SEZ.
- SEZ will be IT driven to function on the “Customs National Portal” which shall be implemented from 30th September’2022.
- Certain exemptions are being introduced for duty free import of specified goods by bonafide exporter of items like handicraft, apparel, leather goods. The value added export goods shall be exported in six months and exporter shall follow IGCR Rules.
- Custom tariff structure is being simplified by moving the unconditional concessional rates from existing exemption notifications to the First Schedule of Customs Tariff Act.
- Sunset dates for conditional exemption notifications in respect of conditional exemption entries in respective notifications.
- Graded import duty rate structure is being notified to operationalise Phased Manufacturing Plan for wearables, hearables and smart meters.
- Significant legislative changes in the Customs Act are being made, particularly as regards to specifying class of officers and assignment of function and jurisdiction



of the proper officers.

- Revised IGCR Rules is being notified to make the entire process digital and transparent.

Important changes in Customs Tariff Act, 1975:

- (i) **Customs duty rate changes:** The change in the rates of duty, tariff rates, omission of certain exemption and amendments in certain exemptions, conditions to exemptions, clarifications relating to applicability of SWS etc.
- (ii) **Tariff Changes:** Simplification of tariff structure. Unconditional concessional rates prescribed through various notifications are being moved to Tariff (First) Schedule in the Customs Tariff Act.

Legislative changes :

- a) Certain significant changes are being made in the Customs Act. The definition of 'proper officer' is being modified; officers of DRI, Audit and Preventive formation are being specifically included in the class of officers of Customs; explicit provision is being made for assigning functions to officer of Customs by the Board or Pr. Commissioner/Commissioner of Customs; concurrent jurisdiction is being provided for in certain circumstance, as the Board may specify; explicit provision is being made to delineate jurisdiction on cases involving short levy/payment of duty or erroneous refund etc. and to provide for concurrent exercise of powers.
- b) In a major trade facilitation measure the Import of Goods Concessional Rate of Duty (IGCR) Rules, 2017 have been comprehensively revised.

Changes in the Customs Rules

Customs (Import of Goods at Concessional Rate of Duty) Rules, 2022 ("the IGCR Rules") are being amended to provide the following facilities:

- (a) Importers would need to generate a 'import of Goods at Concessional Rate Identification Number or IIN from common portal of Customs.

- (b) IIN would need to be mention on each Bill of Entry.
- (c) Importers would submit all the necessary details electronically, through a common portal by 10th day of the following month.
- (d) Standardizing and notifying the various forms in which details are to be submitted electronically.
- (e) Leveraging the advantage of such submissions electronically, the need for any transaction based permissions and intimations are all being done away with.
- (f) Consequently, the procedure to claim the notification benefit is being simplified and automated.
- (g) An option for voluntary payment of the necessary duties and interest, through the Common Portal is being provided to the importer.
- (h) Requirement of permission withdrawn for re-export or domestic disposal of unutilized or defective goods on payment of duty and interest.
- (i) Disposal of goods after utilisation allowed on payment of duty and interest on value depreciated as per schedule given in IGR.
- (j) Advance Ruling Application under the Customs laws can be withdrawn by applicant at any time before pronouncement of Ruling by the Advance Ruling Authority.
- (k) The effective of Advance Ruling under the Customs laws is limited to three years.

Duty concessions on imported by bonafide exporters.

A scheme is being introduced for bonafide exporters on duty-free imports for the purpose of use in goods meant for export, based on end-use monitoring subject to the requirement of exporting value added products manufactured using inputs imported under specified exemptions, within a period of 6 months. Importer shall be required to follow the procedure under the IGCR Rule. ●

DIRECT TAXES - KEY HIGHLIGHTS - 2022



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Relief and Benefits to Taxpayers:

- Provision for filling “Updated Income Tax” within 2 years from end of relevant AY, subject to such return can't be filed
 - ✓ To claim refund
 - ✓ To claim expenses
 - ✓ To claim excess, carry forward of losses
 - ✓ Penalty of 25% & 50% on additional Tax & Interest payable if return filed within 12 months and 24 months respectively
- Surcharge on LTCG capped to 15% as against 37% earlier (effective tax rate reduce to 23.92% from 28.50%)
- Companies now can file modified returns upon business reorganizations. Also, and litigation of predecessor to be valid and deemed to be made on successor.
- NPS employer's contribution deduction increased to 14% for state government employees which is par

with Central Government employees

- **Discontinue / Withdrawal** of concessional rate of taxation u/s 115BBD i.e., 15% on dividend income received from specified foreign company (in which Indian Company holds minimum 26% equity share capital)
- TDS on sale of immovable property now to take account of Stamp Duty Value.
- Tax relief for persons with disability u/s 80DD: Allows annuity payment to differently abled dependents when dependent attaining age of 60 years.

Changes w.r.t Co-Op Societies:

- AMT rate for co-op societies reduced to 15% from 18.50%
- Surcharge **reduced to 7%** from 12% if total income is >1 Cr but up to 10 Cr

Crypto currency and digital assets:

- RBI to introduce its own crypto currency 'Digital Rupee'



- Transfer of Digital assets including Cryptos to be **taxed @30 % w.e.f 01-04-2022**
- TDS on transfer of digital assets proposed @1% exceeding limits prescribed
- No set-off of losses/expenses/allowances from Digital assets gain/income
- Gift of virtual assets to be taxed in the hands of receiver
- Virtual Digital Assets defined to mean a digital representation of value which is exchanged with or without consideration.

Clarity on certain disputed matters:

- Cess and Surcharge levied on income tax **not allowed as business expenses u/s 37**
- Penal expenses incurred outside India and perquisites/benefits received in violation of law to be disallowed
- Charitable Trusts and Institutions to strictly comply with updated provisions. Accretion of income which is taxed only under Section 12AB has been brought to tax under Section 10(23C) as well.
- Amount received on account of death due to Covid-19 not to be taxed as income from other sources/perquisite
- No benefit of set-off of losses allowable on income

discovered during search and seizure

- Bonus stripping not permitted in shares and securities
- Goodwill reduction from block of asset to be considered as transfer
- Disallowance u/s 14A to apply even in case where no exempt income has arisen or received during the year
- No repetitive appeals for common question of law

Extending incentives:

- Sunset of **setting up new manufacturing entity for 15% beneficial rate extended one more year from 31-03-2023 to 31-03-2024**
- Sunset of **incorporation of start-ups for deduction under Section 80-IAC extended one more year from 31-03-2022 to 31-03-2023**

Streamlining and rationalization of litigation

- Faceless TP, DRP, ITAT procedures deferred till 31-03-2024
- Faceless Assessment rationalized and revamped
- Power of revision of TP Order now to be exercised by PCIT/CCIT(TP) u/s 263
- Several other rationalizations of penal and prosecution related changes proposed. ●

ADVANCE TAX AND ASSESSMENT PROCEDURE



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Cost Accountant

If the Income Tax Liability of any taxpayer is more than ₹ 10,000 in a financial year, then he is liable to pay such tax in installments during the year itself rather than paying this tax at the end of the year. This tax which is payable during the year is called “**Advance Tax**” or “pay as you earn tax” as the tax is liable to be paid at the time the income is earned i.e. during the year itself rather than paying this tax at the end of the year.

Advance Tax receipts help the Govt. to receive a constant flow of tax receipts throughout the year so that the Govt can incur its expenses timely rather than receiving all tax payments at the end of the year. Advance Tax is liable to be paid by all assesses like Salaried, Self Employed, Businessman etc. before the filing of Income Tax Return. An Income Tax Return cannot be filed till the income tax is fully paid.

For Individuals with Salary as the sole source of income, Advance Tax would be taken care of by the TDS deducted by the employer at the time of payment of salaries as reflected in Form 16 and thus there would hardly be any Advance Tax payable. Senior Citizens not having any Business Income are also exempted from the payment of Advance Tax

What are the benefit of Advance Tax?

It reduces the burden of tax payment. It helps in mitigating stress that a taxpayer may undergo while making tax payment at the end of fiscal year. It saves people from failing to make their tax payments. It helps in raising government funds as the government receives interest on the tax collected.



Installment of Advance Tax and Due dates (section 211)

Due date of installment in the relevant previous year.	Other than 44AD or 44 ADA	Eligible assessee carrying on eligible business under section 44 AD or 44 ADA
On or before June 15	15% of such advance tax	
On or before September 15	45% of such advance tax payable	

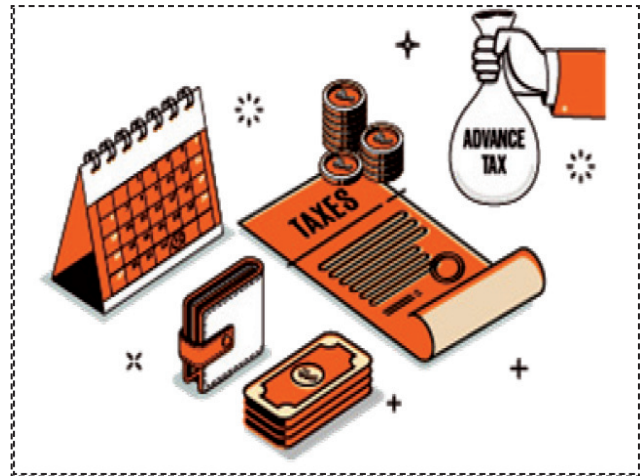


Due date of installment in the relevant previous year.	Other than 44AD or 44 ADA	Eligible assessee carrying on eligible business under section 44 AD or 44 ADA
On or before December 15	75% of such advance tax payable	
On or before March 15	100% of advance tax payable	100% of advance tax payable

KEYNOTES TO REMEMBER

- a. Any amount paid under section 211 on or before 31st March of the previous year, shall be treated as advance tax paid during the financial year.
- b. Provisions of advance tax is not applicable in the following cases:-
Where an assessee is a senior citizen and does not have any income chargeable under the head "Profits and gains of business or profession". In other words, senior citizen not having business income is not liable to pay advance tax.
- c. Every income including capital gain, winning from lotteries, etc. is subject to advance tax. However, it is not possible to estimate capital gain or casual gain, therefore, where the assessee has paid the whole of the amount of tax payable in respect of such income:
 1. As part of the remaining installments of advance tax which were due; or
 2. Where no installments were due, by March 15 of the financial year immediately preceding the assessment year, Then it is deemed that all the provisions are complied.
- d. If the last day for payment of any instalment of advance tax is a day on which the receiving bank is closed the assessee can make the payment on the next working day. In such case, the mandatory interest leviable under section 234B and 234C would not be charged (Circular no. 676 dt. 14.1.1994)
- e. While calculating advance tax, net agricultural income shall also be taken into consideration for computing tax liability.

- f. If any assessee does not pay any instalment within due date he shall be deemed to be an assessee in default in respect of such instalment (Section 218).
- g. Any sum, other than a penalty or interest, paid by an assessee as advance tax shall be treated as a payment of tax and credit for such shall be given to the assessee in the regular assessment (Section 219).



The advance on certain income can be paid after its occurrence as it cannot be estimated:

- Long term capital gain
- Casual Income
- Dividend Income chargeable under section 115BBDA.

Interest on Delayed Payment of Advance Tax under section 234C

If shortfall in payment of advance tax is on account of under estimation or failure in estimation of income of the nature referred to insert 115BBDA the interest under section 234C shall not be levied

FAQs

Q.1 Is there any compliance if an assessee revises its estimate of income for advance tax?

Ans. An assessee can revise the estimation of income and pay the taxes accordingly without any requirement of filing the estimation of income with the department.

Q.2 Can estimate of income be revised for the purpose of advance tax?

Ans. In case the assessee wants to revise the estimate of income after making payment of first/ second instalment of advance tax, the assessee can revise the remaining



instalment of advance tax in accordance with his revised estimate of current income and pay the advance tax accordingly.

Q.3 What will be the due date for the payment of advance tax if the same is payable by virtue of an order from the Assessing Officer/ Income Tax Officer?

Ans. Where advance tax is payable due to the notice of demand issued by Assessing Officer then whole or part of the advance tax is payable in the remaining instalments, i.e., instalments due during the financial year after the date of notice.

Q.4 Who is not required to pay Advance tax?

Ans. A **resident senior citizen**(i.e., an individual of the age of 60 years or above during the financial year) not having any income from business or profession is not liable to pay advance tax.

Taxpayer who opted for presumptive taxation scheme of section 44AD or section 44ADA is liable to pay 100% of advance tax by 15th March.

Q.5 Can I claim the deduction of Advance tax payments against my profits?

Ans. Advance Tax is not an expense.

- It is considered as an asset and adjusted against one's tax liabilities at the time of finalization of the Balance Sheet.
- It is a charge on income and not considered as an expenditure.
- It is shown under Loans and Advances in the Balance Sheet.

Q.6 How do advance tax paid get reflected in Form 26AS ?

Ans. Once the Advance Tax is paid, it will be reflected on assessee's Form 26AS within 3-4 working days of making the payment.

- The banks upload challan details to TIN in 3 working days after the realization of the tax payment online.
- After the bank uploads the details of self -assessment/ advance tax to TIN, it is automatically posted into assessee's Form 26AS.

Q.7 What should we do if the bank is closed on the last day for payment of advance tax?

Ans. Any taxes paid **till 31st March will** be treated as advance tax.

If the last day for the payment of advance tax is the day on which the banks are closed, then one should pay the advance tax on the immediately following working day and no interest shall be charged on such payments of advance tax.

Q.8 Does credit of TDS allowed while calculating advance tax?

Ans. As per section 208 of the income-tax Act, 1961, every person whose estimated tax liability for the year is INR 10,000 or more, after TDS (taxes deducted at source), shall pay advance tax.

Therefore, credit of TDS is to be taken while calculating the advance tax liability.

However, if the amount is given or credited by payer without deduction of tax then the benefit of TDS cannot be given while calculating the advance tax liability. ●

Whether Amount Deposited In Capital Gain Account Scheme Is Eligible To Get Income Tax Exemption As Per Income Tax Act 1961 And Finance Act 2021



CMA Sivakumar A
Cost Accountant
Assistant professor of commerce
Sreeneelakanta Govt Sanskrit College, Pattambi.

Sold a house during the period of covid-19 second wave. Only get a nominal amount as profit. Still, the incidence of income tax arises? A lot of people have that difficulty. Besides, As per sec 194 IA of the income tax Act 1961, buyer of the house property has the liability to deduct 1% as TDS and that amount has to be paid into the account of revenue if the net sales consideration is more than ₹ 50 lakhs. Deductions /exemptions /concessions are available as per sec 54 and sec 54 GB and sec 54 is the most significant with respect to capital gain arising from the sale of the residential house property.

Under the above circumstances, the sellers of the residential houses or flats have to obey/comply the following conditions to get the exemption as per sec 54 of the Income Tax Act 1962.

1. Capital Gain should be Long Term Capital Gain.
2. If you sells the residential house property or flat after 24 months from the date of acquisition, then the capital asset is known as long term capital asset and profit and gain arising from the sale of long term capital asset is known as long term capital gain and 20% income tax (plus surcharge and cess) is to be paid on that income.
3. A new residential house property is to be acquired within two years from the date of sale of existing residential house property or A new residential house property was acquired before one year from the date

of sale of existing residential house property. If the assessee wants to construct a new residential house property, it will be constructed within three years. If the long term capital gain is not more than 2 crores, maximum 2 houses can be bought or constructed. Least of the following amount is the eligible as exemption as per sec 54.

Long term capital gain or the cost of new house/amount deposited in the capital gains account scheme.

4. Assessee do not transfer the newly bought residential house property and he/she violates this condition, he/she will lose the already claimed deduction as per sec 54.
5. If the assessee cannot use the entire amount till 31 July 2022, the assessee has to invest the unutilized amount in the capital gains account scheme as per the capital gains account scheme of 1988. He/she will have to deposit the amount in either deposit A or deposit B of recognized public sector banks. Interest, nomination and withdrawal facility are available to those accounts. But you cannot use it as security. Besides, you have to use the amount within 60 days of withdrawal for the purposes mentioned in sec 54. Otherwise, you have to pay the income tax
6. Capital gains account scheme is a temporary arrangement. ●



TAX UPDATES - NOTIFICATIONS AND CIRCULARS

INDIRECT TAX NOTIFICATION

Customs Notifications (Tariff) Notification No.1/2022-Customs Date - 18th January, 2022

Seeks to exempt BCD and IGST on goods imported for the purpose of AFC Women's Asian Cup India, 2022

CBIC has exempted the goods as mentioned below from the whole of the duty of customs leviable as well as from the whole of the integrated tax leviable and falling under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India by All India Football Federation for the purpose of organising the AFC Women's Asian Cup India, 2022, subject to the specified conditions.

S. No	Items	Conditions
1	The following goods: i. Kelme Referee kits, ball boy uniform and match-day bibs ii. Competitions goods shipped using Aramex iii. Molten official match balls	a) The importer, at the time of clearance of the goods, produces a certificate to the Assistant Commissioner of Customs or Deputy Commissioner of Customs as the case may be, from the Director or Deputy Secretary (Sports), Department of Sports, the Ministry of Youth Affairs and Sports, Government of India, indicating that the said goods are required in relation to the AFC Women's Asian Cup India, 2022.

S. No	Items	Conditions
iv.	Kelme AFC delegations / volunteers attire	b) The importer, at the time of clearance of the goods, furnishes an undertaking that, -
v.	Country Flags	i. all such goods, excluding gift items, souvenirs, mementoes shall be re-exported within three months from the date of conclusion of AFC Women's Asian Cup India, 2022.
vi.	Sleeves Badges	
vii.	WAC mini Trophy	ii. a utilisation certificate for the goods consumed shall be furnished from the Director or Deputy Secretary (Sports), the Department of Sports, the Ministry of Youth Affairs and Sports, Government of India, within three months from the date of conclusion of AFC Women's Asian Cup India, 2022.

Customs Notifications(Non-Tariff) Notification No.04/2022 - Customs (N.T.) Date - 20th January, 2022

Exchange rate Notification No.04/2022-Cus (NT) dated 20.01.2022-reg

CIBC has determined the rate of exchange of conversion of the foreign currencies into Indian currency or vice versa and it has been effective from 21st January, 2022 relating to imported and export goods.

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Export Goods)
1	Australian Dollar	55.10	52.75
2	Bahraini Dinar	203.85	191.35
3	Canadian Dollar	60.70	58.50
4	Chinese Yuan	11.90	11.55

For more details, please follow -
<file:///D:/TRD-Deba/Downloads/csnt04-2022.pdf>

Customs Notifications (Anti-Dumping Duty)
Notification No. 3/2022-Customs (ADD)
Date – 24th January, 2022

Seeks to rescind Notification No. 42/2016 - Customs (ADD) dated 8th August, 2016 to remove levy of ADD on PVC Flex Films

CBIC has revoked the anti-dumping duty imposed on “PVC Flex Films”, originating in or exported from China PR and imported into India and has rescinded the Notification No. 42/2016-Customs(ADD) dated the 8th August, 2016, except as respect things done or omitted to be done before such rescission.

Notification No. 4/2022-Customs (ADD)
Date – 24th January, 2022

Seeks to impose Anti-Dumping Duty on ‘Axles for Trailers’ originating in or exported from the Peoples Republic of China

The designated authority, vide notification No. 7/7/2021-

DGTR dated the 19th April, 2021, had initiated a review in the matter of continuation of anti-dumping duty on imports of ‘Axles for Trailers’ (hereinafter referred to as the ‘subject goods’), falling under heading 8716 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) originating in, or exported from the People’s Republic of China, imposed vide Notification No. 54/2016 – Customs(ADD), dated the 29th November, 2016.

For more details, please follow -
<file:///D:/TRD-Deba/Downloads/csadd04-2022.pdf>

Customs Circulars
Circular No.01/2022-Customs
Date – 18th January, 2022

Retention of ISO Containers to meet future requirements

In relation to Board’s Instructions Nos.07/2021-Customs dated 24.04.2021, 08/2021-Customs dated 27.04.2021 and 12/2021-Customs dated 25.05.2021 with regards to relaxation of various procedures relating to facilitation of COVID related consignments.

Board has received representations through the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, for providing relaxations in the re-export of ISO Containers imported temporarily for combating the COVID Pandemic. Such containers have been used for efficient transportation of Liquid Medical Oxygen due to the inherent advantage related to multi-modal transportation (by Road/Rail/Waterways/Airways).

The issue has been examined. Board hereby guides all the field formations to allow extension of time period for re-exports of ISO containers meant for transportation of Liquid Medical Oxygen grade, if imported under Notification No. 104/1994-Customs dated 16.03.1994, till 30.09.2022, upon receipt of requests from the importers, in this regard.

Further, in respect of ISO Containers imported on lease by availing IGST exemption under serial number 557B of Notification No.50/2017-Customs dated 30.06.2017, it is hereby clarified that as long as ISO containers are in India under a valid lease and the IGST amount is paid on such lease amount under CGST law, the IGST is not required to be paid on the value of the ISO containers, and in such a situation the need for re-export would not arise.

Circular No.02/2022-Customs
Date – 19th January, 2022

Alignment of AEO Circular No. 33/2016 dated 22.07.2016 and 54/2020 dated 15.12.2020 with CAROTAR, 2020 implemented vide dated 21.09.2020

Reference is drawn to Circular No. 33/2016–Customs dated 22.07.2016 as amended, including by Circular No. 54/2020- Customs dated 15.12.2020, vide which relaxation in furnishing of Bank Guarantee was extended to various categories of AEO/AEO (MSME), but would not be applicable in cases where the Competent Authority orders furnishing of Bank Guarantee for provisional release of goods under section 18 of Customs Act, 1962.

It is clarified that with the insertion of Section 28 DA of Customs Act, 1962 relating to procedure regarding claim of preferential rate of duty, and the issuance of CAROTAR, 2020 (Customs Administration of Rules of Origin Under Trade Agreements Rules, 2020) vide Notification No. 81/2020-Customs dated 21.08.2020 (effective 21.09.2020), these provisions prevail over dispensation extended vide para 1.5.1. (v), 1.5.2.(ix), 1.5.3.(iv) of Circular No. 33/2016- Customs dated 22.07.2016 and para 3(vii) of Circular No. 54/2020- Customs dated 15.12.2020 and the latter stand suitably aligned to the former.

DIRECAT TAX NOTIFICATION

Notification No. 5 /2022
Date - 13th January, 2022

Notification regarding Assam Electricity Regulatory Commission

CBIC has notified, 'Assam Electricity Regulatory Commission' (PAN: AAAJA1243K), constituted by the Government of Assam, in respect of the following specified income arising to that Commission, namely: –

- (a) amount received in the form of government grants;
- (b) amount received as license fees, petition fees and fines; and
- (c) interest earned on government grants, license fees, petition fees and fines kept as deposits or Fixed deposits with banks.

This notification shall be effective subject to the conditions that Assam Electricity Regulatory Commission—

- (a) shall not engage in any commercial activity;

(b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and

(c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.

This notification shall be applicable for the financial years 2021-2022, 2022-2023, 2023-2024, 2024-2025 and 2025-2026.

Notification No. 6/2022

Date - 14th January, 2022

Income tax (1st Amendment), Rules, 2022

CBDT has made the following rules further to amend the Income-tax Rules,1962, namely:-

1. Short title and commencement. -
 - (a) These rules may be called the Income tax (1 st Amendment) , Rules, 2022.
 - (b) They shall come into force from the 1st day of April, 2022.
2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), after rule 21AJ, the following rules shall be inserted, namely: –

“21AJA. Computation of exempt income of specified fund, attributable to the investment division of an offshore banking unit, for the purposes of clause (4D) of section 10 of the Act- (1) For the purposes of clause (4D) of section 10 of the Act, income of specified fund attributable to the investment division of an offshore banking unit shall be computed in accordance with the following formula, namely: -

A+B+C+D

where –

A = any income accrued or arisen to, or received by the eligible investment division as a result of transfer of a capital asset referred to in clause (viiab) of section 47 of the Act held by it, on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in convertible foreign exchange;



B = any income accrued or arisen to, or received by the eligible investment division as a result of transfer of securities held by it (other than shares in a company resident in India)

For more details, please follow –

<https://incometaxindia.gov.in/communications/notification/notification-06-2022.pdf>

Notification No. 7/2022

Date - 18th January, 2022

E-advance Rulings Scheme, 2022

CBDT has made following Scheme, namely: -

1. Short title and commencement. -

- (a) This Scheme may be called the “e-advance rulings Scheme, 2022”.
- (b) It shall come into force on the date of its publication in the Official Gazette.

2. Definitions.- (1) In this Scheme, unless the context otherwise requires,

- (i) “Act” means the Income-tax Act, 1961 (43 of 1961);
- (ii) “addressee” shall have the same meaning as assigned to it in clause (b) of sub-section (1) of section 2 of the Information Technology Act, 2000 (21 of 2000);
- (iii) “advance ruling” shall have the same meaning as assigned to it in clause (a) of section 245N of the Act;
- (iv) “applicant” means the assessee who had filed an application under section 245Q of the Act;
- (v) “authorised representative” shall have the same meaning as assigned to it in sub-section (2) of section 288 of the Act;
- (vi) “automated allocation system” means an algorithm for randomised allocation of cases, by using suitable technological tools, including artificial intelligence and machine learning, with a view to eliminate discretion and optimise the use of resources;
- (vii) “Board For Advanced Rulings” means the Board for Advance Rulings constituted under section

245- OB of the Act;

- (viii) “computer resource” shall have the same meaning as assigned to it in clause (k) of sub-section (1) of section 2 of the Information Technology Act, 2000 (21 of 2000);
- (ix) “computer system” shall have the same meaning as assigned to it in clause (l) of sub-section (1) of section 2 of the Information Technology Act, 2000 (21 of 2000);
- (x) “designated portal” means the web portal designated as such by the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be;
- (xi) “digital signature” shall have the same meaning as assigned to it in clause (p) of sub-section (1) of section 2 of the Information Technology Act, 2000 (21 of 2000);

For more details, please follow –

<https://incometaxindia.gov.in/communications/notification/notification-7-2022.pdf>

Notification No. 8/2022

Date - 18th January, 2022

Income-tax (2nd Amendment) Rules, 2022

CBDT has made further amendments to the Income-tax Rules, 1962, namely: -

1. Short title and commencement. —

- (a) These rules may be called the Income tax (2nd Amendment) Rules, 2022.
- (b) They shall come into force from the date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962, after rule 8AC, the following rule shall be inserted, namely: — “8AD Computation of capital gains for the purposes of sub-section (1B) of section 45-(1) Where any person receives at any time during any previous year any amount under a specified unit linked insurance policy, including the amount allocated by way of bonus on such policy.

For more details, please follow –

<https://incometaxindia.gov.in/communications/notification/notification-8-2022.pdf>

Notification No. 9/2022
Date - 18th January, 2022

Securities Transaction Tax (1st Amendment) Rules, 2022

CBDT has made amendments in the Securities Transaction Tax Rules, 2004, namely: -

1. Short title and commencement. –

- (a) These rules may be called the Securities Transaction Tax (1st Amendment), Rules, 2022.
- (b) They shall come into force from the date of their publication in the Official Gazette

2. In the Securities Transaction Tax Rules, 2004 (hereinafter referred to as the principal rules), after rule 5, the following rule shall be inserted, namely: –

“5A. Person responsible for collection and payment of securities transaction tax in case of Insurance Company.- In the case of an insurance company, the person responsible for collection and payment of securities transaction tax in accordance with sub-sections (2), (3) and (4) of section 100 of the Act, shall be the managing director or a whole-time director, as defined in clauses (54) and (94) of section 2 of the Companies Act, 2013 (18 of 2013), duly authorised by the Board of Directors of such company in this behalf.”

For more details, please follow –

<https://incometaxindia.gov.in/communications/notification/notification-9-2022.pdf>

Notification No. 10/2022
Date – 21st January, 2022

Notification regarding National Skill Development Corporation

CBDT has notified “National Skill Development Corporation”, a body constituted by Central Government, in respect of the following specified income arising to that Corporation, namely: -

- (a) Amount received in the form of Government grants.
- (b) Amount received in the form of grants for skill development other Government grants;

- (c) Long-term or short-term capital gain out of investment in an organisation for skill development;
- (d) Dividend and royalty from skill development venture supported or funded by National Skill Development Corporation;
- (e) Income from Accreditation Fees, Registration fees, fees from training partners and other cost recovery from its skill development activities;
- (f) Administrative & Mobilization fees from the scheme management;
- (g) Income from institutions outside India for skilling, Training & Employability;
- (h) Interest on loans to Institutions for skill development;
- (i) Miscellaneous income, like sale of scrap, Profit on sale of assets, RTI application fees, forfeiture of Bank Guarantee, interest on income tax refund, excess provision written back.

For more details, please follow –

https://incometaxindia.gov.in/communications/notification/notification_no_10_2022.pdf

Notification No. 11/2022
Date – 25th January, 2022

Amendment in Notification No 89 of 2020

CBDT has made amendments in the Notification Number 89 of 2020, dated the 2nd November, 2020, namely: -

In the said notification, - (I) for clauses (vii), (viii), (ix), (x), (xi) and (xii), the following clauses shall be substituted, namely: -

- “(vii) the earnings of the assessee shall be credited either to the account of the Government of Abu Dhabi or to any other account designated by that Government so that no portion of the earnings inures to any private person barring any payment made to creditors or depositors for loan or borrowing [as defined in sub-clause (a) of clause (ii) of Explanation 2 to clause (23FE) of section 10 of the Act] taken for the purposes other than for making investment in India;
- (viii) the assessee shall not have any loans or

borrowings [as defined in sub-clause(a) of clause (ii) of Explanation 2 to clause (23FE) of section 10 of the Act] , directly or indirectly, for the purposes of making investment in India;

- (ix) the asset of the assessee shall vest in the Government of Abu Dhabi upon dissolution barring any payment made to creditors or depositors for loan or borrowing taken for the purposes other than for making investment in India;
- (x) the assessee shall not participate in the day to day operations of investee (as defined in clause (i) of Explanation 2 clause (23FE) of section 10 of the Act) but the monitoring mechanism to protect the investment with the investee including the right to appoint directors or executive director shall not be considered as participation in the day to day operations of the investee.”

For more details, please follow –

<https://incometaxindia.gov.in/communications/notification/notification-11-2022.pdf>

Notification No. 11/2022

Date – 27th January, 2022

Notification regarding “West Bengal Electricity Regulatory Commission”

CBDT has notified ‘West Bengal Electricity Regulatory Commission’, Kolkata (PAN: AAAGW0011J), a Commission constituted by the State Government of West Bengal, in respect of the following specified income arising to that Commission, namely: -

- (a) Income from the fund maintained in accordance with the provisions of the West Bengal Electricity Regulatory Commission (Manner of application of Fund) Rules, 2006; and
- (b) Income from the fees collected in accordance with the provisions of the West Bengal Electricity (fees for application for grant of license) Rules, 2005, notified by the Government of West Bengal.

This notification shall be effective subject to the conditions that West Bengal Electricity Regulatory Commission, Kolkata –

- (a) shall not engage in any commercial activity;

(b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and

(c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.

For more details, please follow –

<https://incometaxindia.gov.in/communications/notification/notification-11-2022-new.pdf>

DIRECAT TAX CIRCULARS

Circular No. 2 of 2022

Date - 19th January, 2022

Guidelines under clause (10D) section 10 of the Income-tax Act, 1961 - reg.

Clause (10D) of section 10 of the Income-tax Act, 1961 (the Act) provides for income-tax exemption on the sum received under a life insurance policy, including any sum allocated by way of bonus on such policy subject to certain exclusions.

The Finance Act, 2021 amended clause (10D) of section 10 of the Act by inserting fourth to seventh provisos. Fourth proviso provides that, with effect from 01.02.2021, the sum received under a Unit Linked Insurance Policy (ULIP), issued on or after 01.02.2021, shall not be exempt under the said clause if the amount of premium payable for any of the previous years during the term of such policy exceeds ₹ 2,50,000. Further, fifth proviso provides that if premium is payable for more than one ULIP, issued on or after 01.02.2021, the exemption under the said clause shall be available only with respect to such policies where the aggregate premium does not exceed ₹ 2,50,000 for any of the previous years during the term of any of those policies. Sixth proviso provides that the fourth and fifth provisos shall not apply in case of sum received on death of the person.

For more details, please follow –

<https://www.incometaxindia.gov.in/communications/circular/circular-2-2022.pdf>

INDIRECT TAX JUDGEMENTS

18% GST payable on Rodent Feed: The AAR, Telangana to Ministry of Defense

FACT OF THE CASE

The applicant, M/s. Hylasco Bio-technology Private Limited are importing rat feed and paying GST on the same under HSN 23099010. The Government of India vide Notification No. 02/2017 dated: 28.06.2017 has exempted certain categories of aquatic, poultry and cattle feed falling under HSN chapter 2302, 2304, 2305, 2306, 2308 & 2309 from tax under GST. The applicant is of the opinion that rat feed falls under Sl.No.102 of the said notification and seeks clarification regarding the exemption applicable to them.

The applicant has sought the advance ruling on the issue of

- Whether the product Rodent Feed can be classified under the HSN 2309 90 10 or not. If No, HSN applicable for the specified product. As HSN 2309 is exempt under the Serial Number 102 of Notification no. 02/2017, whether the product Rodent Feed which falls under the same group is also exempt, if not the taxability of the same.

DECISION OF THE CASE

The Apex court of India in the case of Commissioner of Central Excise, Surat-I Vs Favourite Industries, (2012) 7 SCC 153 held that an exemption notification must be interpreted in light of the words employed by it and not on any other basis and there cannot be any addition or subtraction from the words used in the exemption notification as it requires strict interpretation by the Courts. The wordings of the exemption notification have to be given its natural meaning when the wordings are simple, clear and unambiguous.

The Coram held that Description to Sl.No.102 does not include rodent feed and hence taxable under Sl.No.453 of Schedule III of Notification No. 01/2017 dated: 28.06.2017 at the rate of 9% CGST & SGST each.

The Telangana Authority of Advance Ruling (AAR) held that 18% GST payable on Rodent Feed.

5% GST applicable on supply of pressure/non pressure tight cables for use in submarine supplied

FACT OF THE CASE

The applicant, M/s. Radiant Corporation private Limited are supplying pressure tight cables and non-pressure tight cables and special cables for use in the S4 submarine by the Defence Machinery Design Establishment(DMDE), Ministry of Defence, Government of India. The applicant is desirous to clarify the goods supplied by them are eligible for a concessional rate of tax under Sl.No.252 read with Sl.No.250 of Schedule I in Notification No. 01/2017 dated 28.06.2017.

Questions raised:

- a. What is the applicable rate of CGST on the supply of pressure tight cables, non-pressure tight cables and special cables for use in S4 submarine supplied by the Applicant to DMDE, Ministry of Defense, Govt of India.
- b. Whether these goods would be considered to be as parts of warships and accordingly classifiable under Sl.No.252 read with Sl.No.250 of Schedule I in Notification No. 01/2017 dated: 28.06.2017.

The applicant has submitted certain utilization certificates from the Naval authorities. The certificates categorically state that the goods supplied are used “as stores for consumption onboard an Indian Navy Ship”. Similarly, in the certificate dated: 24.02.2017 it is stated that they are exclusively for use onboard Indian Naval Ships. In the certificate dated: 30.03.2017 it is stated that these goods are required for the ATV program.

DECISION OF THE CASE

In the present case, the applicant has submitted certain utilization certificates from the Naval authorities. The certificates categorically state that the goods supplied are used “as stores for consumption onboard of Indian Navy Ship” (Certificate dated: 29.08.2016 & 08.11.2016). Similarly, in the certificate dated: 24.02.2017 it is stated that they are exclusively for use onboard Indian Naval Ships. In the certificate dated: 30.03.2017 it is stated that these goods are required for ATV program.

When the above (2) evidences are read in tandem, it is clear that the appellant is supplying special types of cables to the Naval authorities.



Therefore the supplies made by the applicant to Defence Machinery Design Establishment (DMD) for the purpose of use in warship building of Indian Navy will qualify for the concessional rate of tax of 5% under CGST & SGST.

The Telangana Authority of Advance Ruling (AAR) held that 5% GST on supply of pressure tight cables, non-pressure tight cables, special cables for use in S4 submarines supplied to the Defence Ministry.

Setback to Arcelor Mittal: Supreme Court upholds Gujarat Tax Department's levy of Rs 480 cr Purchase Tax

FACT OF THE CASE

The respondent-assessee Essar Steel Ltd is engaged in the activity of manufacture and sale of Hot Briquetted Iron (HBI) and Hot Rolled Coil (HRC) at its two units located at Hazira in Surat, Gujarat. The respondent holds registration certificate under the Gujarat Sales Tax Act, 1969 and also under the Central Sales Tax Act, 1956. The respondent made eligible investment in Unit No.1 pursuant to Resolution dated 07.05.1986 issued by the Industries, Mines and Energy Department of the Government of Gujarat. Therefore, the respondent was certified as entitled to avail incentives during the eligible period from 01.08.1990 to 31.07.2004 up to the upper monetary limit of Rs.237.59 crores.

The Government of Gujarat vide Resolution dated 26.07.1991 announced a scheme known as "The Scheme for Special Incentives to Prestigious Units 1990-95 (modified)" for attracting investments in core sector industries. Under the said scheme, a prestigious unit was eligible for incentives up to 90% of the fixed capital investment. That pursuant to the said Scheme, the respondent – Essar Steel Ltd. invested approximately Rs.5000 crores for manufacture of HRC. The said exemption was provided as per Entry 255 of the notification issued by the Government of Gujarat under Section 49(2) of the Act, 1969. That the Unit No.2 of the ESL was granted Sales Tax exemption in terms of Entry No.255(2) of the Notification dated 05.03.1992 issued under Section 49(2) of the Act, 1969 for the period from 22.02.1993 to 21.02.2007 up to a maximum monetary limit of Rs. 2050 crores.

As such the EPL, under the incentive scheme, was not eligible at all for exemption from payment of purchase tax as in fact power generating companies were put in the list of 'ineligible industries'. Therefore, by such a modus operandi, the benefit, which was not available to the EPL was made available by such transfer of raw materials by the Essar Steel Ltd. to Essar Power Limited. As observed

hereinabove, there is a breach of declaration in Form No.26 also. Therefore, in the facts and circumstances of the case, the levy of penalty is justified and warranted. The Joint Commissioner, the Tribunal as well as the High Court have committed a grave error in quashing and setting aside the penalty imposed by the Assessing Officer.

DECISION OF THE CASE

The division bench of Justice M.R.Shah and Justice Sanjeev Khanna held that the respondent, Essar Steel Ltd., the eligible unit was not entitled to the exemption from payment of purchase tax under the original Entry firstly, on the ground that it did not fulfil the eligibility criteria/ conditions mentioned in the original Entry No.255(2) dated 05.03.1992 and secondly that there was a breach of declaration in Form No.26 furnished by the respondent – eligible unit – Essar Steel Ltd. The orders setting aside the penalty imposed by the Assessing Officer are also hereby quashed and set aside. The order passed by the Assessing Officer levying the demand of purchase tax and imposing the penalty is hereby restored.

In a setback to Arcelor Mittal, the Supreme Court has upheld the Gujarat tax department's levy of Rs 480 crore purchase tax.

12% GST on Bellow Ducts: The AAAR, Uttar Pradesh

FACT OF THE CASE

The appellant, M/s Concord Control Systems Private Limited is engaged in supply of "Bellow Duct" made of Meta Aramid or Para Aramid Fabric with Silicon Rubber Coating on both sides for RMPU for LHB EOG/HOG type AC coaches of Indian Railways.

The applicant has sought advance ruling on the issue:

- As to the HSN Code and GST Rate on supply of "below Duct" to RDSO Ministry of Railways for use in Indian Railway Coaches and whether the supply of "Bellow Duct" to RDSO Ministry of Railways for use in Indian Railway Coaches will fall under the HSN Code 8607 having GST Rate of 12% or will it fall under the HSN 8424 having GST Rate of 18%.

The AAR ruled that "Bellow Ducts" merits Classification under HSN 8424 Attracting GST at the rate of 18% (CGST 9% & SGST 9%). The supply of "Bellow Ducts" to RDSO Ministry of Railways for use In Indian Railways Coaches will fall under the HSN 8424 having GST Rate of 18%.

The appellant has challenged the ruling on the ground that Bellow Ducts in the instant case are flexible ducts/ conduits through which air flows in the AC Unit of the

coaches in the Rails. Bellow Ducts manufactured and supplied by the appellant cannot be used in any other industry and cannot be fitted into any other machinery to form its part other than the Air conditioning unit of the Railways. Whereas Chapter Heading 8424 covers mechanical appliances for dispersing, spraying or projecting only 'liquids or powders' and it does not cover disbursement of Air. Therefore, the goods in the instant case cannot be said to be Industrial Bellows.

DECISION OF THE CASE

The Coram of Ajay Dixit and Ministhy S. while setting aside the AAR's order ruled that the classification of the "Bellow Ducts", manufactured as per the specific design and layout provided by the Railways and supplied to the Indian Railways only and no-where else, falls under Chapter Heading 8607 of the Customs Tariff Act, 1975.

The Uttar Pradesh Appellate Authority of Advance Ruling (AAAR) ruled that 12% GST on Bellow Ducts.

GST payable under RCM in case of Import of Goods on Ocean Freight: The AAAR, Uttar Pradesh

FACT OF THE CASE

Sangal Papers Limited, the appellant, is a limited corporation that manufactures paper from both domestic and imported waste paper. The Appellant imports waste paper from a variety of countries and pays customs tax on the CIF value. The applicant shows the value of goods and freight separately on the invoice and pays GST on the invoice value after the paper is made.

The applicant has requested an advance judgement on the question of whether, in the situation of indigenous supplies, after GST has been paid on the freight, the

supplier is obligated to pay GST on the freight again under RCM. Is there any extra GST responsibility under RCM where the GST has been paid on the ocean freight in the case of imports on the CIF value and the value of the ocean freight is included in the value of the imported goods?

The Authority for Advance Ruling determined that the petitioner is entitled to pay GST under the reverse charge mechanism on the freight paid under Notification No. 13/2017-Central Tax (Rate) dated 28.06.2017 (as amended). Under Notification No. 10/2017-Integrated Tax (Rate) dated 28.06.2017, as amended, the applicant is entitled to pay IGST on goods transported by vessels under the Reverse Charge Mechanism (RCM).

The applicant has appealed the AAR decision, claiming that under the IGST Act, no tax is levied on ocean freight for services supplied by a person located in a non-taxable area in the conveyance of goods by vessel from a location outside India to a customs station for clearance in India.

DECISION OF THE CASE

The Coram of Ajay Dixit and Amrita Soni decided that the judgement of the Uttar Pradesh Advance Ruling Authority is reasonable and proper and does not require intervention. The aforementioned levy is the subject of an appeal before the Hon'ble Supreme Court in SLP (C) Nos. 16012/2020 and 15995/2020, and the Hon'ble Apex Court has given notices in the matter with an order dated 06.01.2021.

The Appellate Authority of Advance Ruling (AAAR) in Uttar Pradesh ruled that the GST due under the Reverse Charge Mechanism in the instance of commodities imported via ocean freight.

DIRECT TAX JUDGEMENT

Depreciation being statutory allowance cannot be restricted on basis of Personal use: ITAT

FACT OF THE CASE

1. The assessee, Bhagchand Jain is engaged in the business of trading of old iron material and e-filed his return of income declaring total income of ₹ 5,59,530/. The AO after discussing all the facts and circumstances passed assessment order under section 143(3) of the Income Tax Act, 1961 determining total income of assessee at ₹2,48,63,340/- by making various additions.
2. As per the assessee has maintained complete Books of account and other subsidiary record and all the expenses are fully supported by vouchers. All the expenses were fully supported by vouchers which were even produced before the AO during the remand proceeding and the same were admitted by him. The Freight, Telephone expenses, Petrol & Diesel Expenses and Vehicle Expenses were duly supported by Bills and vouchers etc. In these expenses there was no possibility of personal use. A businessman is the best judge to take care of its own interest & to take decisions and the AO is not supposed to intervene therein. All these expenses were incurred exclusively for business purposes and are under the provisions of the Act.

DECISION OF THE CASE

1. The Coram headed by Vice President, N,K, Saini and Judicial Member, Sandeep Gosain has held that disallowance of depreciation on vehicles is also not warranted with the facts and merits of the case as depreciation being a statutory allowance and hence cannot be restricted on the basis of personal use.
2. "Considering the totality of the facts and circumstances as well as case laws, we found merit in the contentions raised by the assessee, therefore, we direct to delete the additions confirmed by the CIT(A) with regard to various expenses," the ITAT ruled.

The Jaipur Bench of Income Tax Appellate Tribunal (ITAT) has held that the depreciation being statutory allowance cannot be restricted on the basis of personal use.

Transponder Charges are not in the nature of Royalty Income: ITAT

FACT OF THE CASE

1. The assessee Viacom 18 Media Private Limited is a company incorporated in India. During the relevant period was engaged in broadcasting television channels from India which included marketing of advertising airtime on different channels and distribution of those channels. The assessee availed satellite signal reception and transmission facility (i.e. transponder facility) and paid service fee to three entities.
2. The Assessing Officer held that as per Explanation 6 (inserted by the Finance Act, 2012) to section 9(1)(vi) of the Act, the term "process" includes the transmission of satellite (including uplinking, amplification, conversion for downlinking of any signal).

DECISION OF THE CASE

1. The two-member bench comprising Judicial Member Mr. Praveen Kumar Gadale and Accountant Member Mr. Om Prakash Kant observed that the first appellate authority referred to master agreement between the assessee and Intersat Corporation, USA to highlight the services of transponding facility provided by the party.
2. "The Ld. CIT(A) has noted that while passing the order dated 28/03/2014, 04/02/2015, and 10/02/2015 in assessee's own case, the Tribunal was not having any benefit of the decision of the Hon'ble Bombay High Court in the case of New Sports Broadcast Pvt Ltd (ITA 1487 of 2018) and, therefore, transponder payments were held to be royalty, taxable under the Act / Treaty. However, subsequently, in ITA Nos. 599 to 614/Mum/2016 for the assessment year 2013-14 to 2015-16 in the order dated 09/07/2018 following the decision of GE Technology Centre Pvt Ltd (supra) held that since no income was chargeable in the hands of the recipient, there was no liability on the part of the assessee to deduct tax at source on the similar payments for transponder facility. Further, the Ld.CIT(A) has followed binding precedents of jurisdictional High Court in the case of New Sports Broadcast Pvt Ltd (supra), wherein it is held that

transponder charges are not in the nature of ‘Royalty income in the hands of recipients despite the amendment to section 9(1)(vi) of the Act,’ the bench observed while allowing relief to the assessee.

The Mumbai bench of the Income Tax Appellate Tribunal (ITAT) has held that the transponder charges are not in the nature of ‘royalty income’ as per the provisions of the Income Tax Act, 1961.

TDS pertaining to previous years deducted on income accrued in current year claimed in Current Year should not be denied

FACT OF THE CASE

1. The assessee M/s. Omega Simulation Co. Ltd, for the assessment year 2014-15 filed its return of income admitting taxable income of ₹ 3,01,43,990/- mainly consisting of profits from business operation at ₹ 2,75,05,990/-. The facts are that the assessee company, up to 31.03.2014 since 2007, has exported software to the extent of ₹ 12,55,06,206/- and payment have also been received in full. The assessee admitted the profit arising out of above exported software in the income tax returns for the assessment years 2008-09 to 2014-15 and paid taxes accordingly.
2. The Omega Simulation Co. Ltd., has paid withholding taxes under the tax laws of Japan to the extent of ₹1,22,50,673/- for the financial years 2007-08 to 2013-14 and gave tax credit certificate to the assessee. The assessee received these tax credit certificates in the financial year 2013-14, hence same were claimed credit in this year, as these were not taken credit in the earlier years. It was also explained that on receipt of tax credit certificates in the financial year 2013-14, the assessee admitted the same as business income and claimed tax credit u/s.90 of the Act, for whole of the amount of ₹ 1,22,50,673/- in the return of income filed.
3. The AO during the course of assessment proceedings asked the assessee to explain

☛ Why credit of taxes pertaining to earlier assessment years should not be denied ?

The assessee explained that Omega Simulation Co. Ltd., Japan has paid the withholding taxes during the financial year 2013-14, though it pertains to earlier years and gave tax credit certificates only during financial year 2013-14. The assessee on receiving the tax credit certificates fully accounted for the amounts and claimed the same in

assessment year 2014-15. The assessee explained that since the entire amount of TDS admitted as income in this assessment year only and paid taxes accordingly.

But the AO was not convinced and accordingly he held that tax credit of only tax paid in Japan pertaining to the assessment during assessment year 2014-15 can be allowed to the extent of ₹ 31,18,928/- and denied the claim of tax credit of ₹ 91,31,745/-. Aggrieved, assessee preferred appeal before the CIT(A).

DECISION OF THE CASE

1. The CIT(A) noted that the assessee is entitled to credit for withholding tax as per the provisions of section 90 & 91 of the Act and the relevant provision under the DTAA between India and Japan. The CIT(A) also noted that the assessee is entitled to credit for withholding tax as per CBDT notification dated 27.06.2017. Hence, he directed the AO to allow entire credit for withholding tax received in the financial year 2013-14 relevant to this assessment year 2014-15 amounting to ₹ 1,22,50,573/-.

Decision of Tribunal:

2. The certificate of tax credit issued by Omega Simulation Co. Ltd., Japan which proves that taxes were deducted only during the financial year 2013-14 under DTAA of Indo-Japan. Both the parties below have recorded concurrent findings that the assessee company has not made any claim for credit towards the above-stated withholding tax in earlier assessment years prior to the relevant assessment year 2014-15. We noted that the income has accrued in the financial year 2013-14 relevant to the assessment year 2014-15. Hence CIT(A) has rightly allowed the claim u/s.199 of the Act and there is no infirmity in the order of CIT(A).

Notice of Income Tax Assessment made in the name of a deceased individual is not legal: Delhi HC

FACT OF THE CASE

1. Dharamraj, the petitioner, has challenged the notices and actions on the grounds that they were issued against a person who died before the notice was issued, rendering all proceedings illegal ab initio. The contested notice was issued in the Assessee’s name under Section 148 of the Act.
2. The petitioner alleges he never received notice. Due to the Assessee’s failure to respond to these notices, a Show Cause Notice was issued and the Assessee was hit with an assessment order. In the name of the

Assessee, notices under Section 221(1) and Section 271(1) (b) of the Act were also issued.

3. The respondent claims that a notice under Section 148 of the Act was sent to the Assessee's address, which is on file with the ITD. On the 30th of October 2019, a notice under Section 142 (1) was issued at the same location and served by the postal authorities. Because no answer to the messages was received, a Show Cause Notice dated 15.12.2019 was issued and sent again to the same address under Section 144 of the Act. On the 23rd of December 2019, an assessment order was issued under Section 144 of the Act, adding ₹ 48,53,000 as an unexplained cash deposit under Section 69A of the Act. A Show Cause Notice was also served at the same address to start penalty proceedings under Sections 271(1)(c), 271(1) (b), and 271F.

DECISION OF THE CASE

1. The division bench of Justice Navin Chawla and Justice Manmohan held that because the notice under Section 148 of the Act was issued against a deceased person, it is **null and void**, and that all subsequent proceedings or orders, including the assessment order and subsequent notices, are liable to be set aside because they are equally tainted.

Bombay HC held that Vodafone Idea Ltd did not escaped the assessment on account of failure to disclose all material facts necessary for computation of income

FACT OF THE CASE

1. In A.Y. 2013-2014, petitioner filed return of income on 30th November 2013 declaring total income at loss of ₹ 4,60,12,34,048/- under normal provisions and ₹ 273 crores under Section 115JB of the Act. Revised return of income was also filed declaring income as shown in original return of income. The assessment was completed on 30th December 2016 under Section 143(3) of the Act determining total income

at ₹ 24,76,63,28,847/- under normal provisions and ₹ 13,96,21,60,821/- under Section 115Jb of the Act.

2. The petitioner received notice dated 2nd August 2019 under Section 148 of the Act saying that there are reasons to believe that petitioner's income chargeable to tax for A.Y.-2013-2014 has escaped assessment within the meaning of Section 147 of the Act.
3. Since the notice has been issued after the expiry of 4 years from the relevant assessment year and petitioner has been assessed under Section 143(3) of the Act, the proviso to Section 147 as it was then previously would apply.

DECISION OF THE CASE

1. The Assessing Officer notes that the assessee had made submissions on these items earlier but still states that income chargeable to tax has escaped because in his opinion certain amounts are required to be added back in profit and loss account and certain amounts should not have been disallowed. Where on consideration of material on record, one view is conclusively taken by the Assessing Officer, it would not be open to reopen the assessment based on the very same material with a view to take another view.
2. In the view of this Court, this is not a case where the assessment is sought to be reopened on the reasonable belief that income had escaped assessment on account of failure of the assessee to disclose truly and fully all material facts that were necessary for computation of income but this is a case wherein the assessment is sought to be reopened on account of change of opinion of the Assessing Officer.

After considering the Facts and circumstances the Bombay HC quashed and set aside the notice dated 2nd August 2019 and the order on objections dated 5th December 2019. ●



DIRECT TAX CALENDER – FEBRUARY, 2022

DESCRIPTION	DUE DATE
Due date for deposit of Tax deducted/collected for the month of January, 2022. However, all the sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan	7th February, 2022
<ol style="list-style-type: none"> 1. Due date for issue of TDS Certificate for tax deducted under section 194-IA in the month of December, 2021 2. Due date for issue of TDS Certificate for tax deducted under section 194-IB in the month of December, 2021 3. Due date for issue of TDS Certificate for tax deducted under section 194M in the month of December, 2021 	14th February, 2022
<ol style="list-style-type: none"> 1. Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of January, 2022 has been paid without the production of a challan 2. Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending December 31, 2021. 3. Due date for filing of audit report under section 44AB for the assessment year 2021-22 in the case of a corporate-assessee or non-corporate assessee (who was required to submit his/its return of income on October 31, 2021) 4. Audit report under section 44AB for the assessment year 2021-22 in the case of an assessee who is also required to submit a report pertaining to international or specified domestic transactions under section 92E 	15th February, 2022

IMPORTANT RETURN DUE DATE – GST FEBRUARY 2022

GSTR 1

	For the period	Due Date
Turnover More than INR 1.5 Crore	January 2022 (Monthly)	11th Feb 2022
Turnover Upto INR 1.5 Crore	Jan – Mar 2022 (Quarterly)	13th Apr 2022
ITF (Optional)	January 2022 (Monthly)	13th Feb 2022

GSTR 3B

	For the period	Due Date
Annual Turnover upto INR 5 Crore in Previous FY	January 2022	20th Feb 2022
Annual Turnover more than INR 5 Crore in Previous FY	January 2022	20th Feb 2022
Turnover Upto INR 5 Crore (for Andaman and Nicobar Islands, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Dadra and Nagar Haveli and Daman and Diu, Goa, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Lakshadweep, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Puducherry, Sikkim.)	Jan – Mar 2022 (Quarterly)	24th Apr 2022

GSTR 3B		
	For the period	Due Date
Turnover Upto INR 5 Crore (for Chandigarh, Delhi, Gujarat, Haryana, Jammu and Kashmir, Ladakh, Punjab, Rajasthan, Tamil Nadu, Uttarakhand.)	Jan – Mar 2022 (Quarterly)	22nd Apr 2022

COMPOSITION DEALER		
	For the period	Due Date
GST CMP-08	Jan – Mar 2022 (Quarterly)	18th Apr 2022
GSTR 4	Financial Year 2021-22	30th Apr 2022

	For the period	Due Date
GSTR 9-Annual Return (Annual Turnover More than 2 crore)	Financial Year 2020-21	28th Feb 2022
GSTR 9C- Audit Form (Annual Turnover More than 5 crore)	Financial Year 2020-21	28th Feb 2022

	For the period	Due Date
GSTR 5 (Non- Resident Foreign Taxpayer)	January 2022 (Monthly)	20th Feb 2022
GSTR 5A (NRI OIDAR Service Provider)	January 2022 (Monthly)	20th Feb 2022
GSTR 6 (Input Service Distributor)	January 2022 (Monthly)	13th Feb 2022
GSTR 7 (TDS Deductor)	January 2022 (Monthly)	10th Feb 2022
GSTR 8 (TCS Collector)	January 2022 (Monthly)	10th Feb 2022



COURSES OFFERED BY TAX RESEARCH DEPARTMENT

Eligibility criterion for admission in TRD Courses

- The members of the Institute of Cost Accountants of India
- Other Professionals (CS, CA, MBA, M.Com, Lawyers)
- Executives from Industries and Tax Practitioners
- Students who are either CMA qualified or CMA pursuing

EXISTING COURSES

CERTIFICATE COURSE ON TDS

Course Fee - Rs. 10,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students

Exam Fees - Rs. 1,000 + 18% GST
Duration – 30 Hours
Mode of Class – Online

CERTIFICATE COURSE ON INCOME TAX RETURN FILLING

Course Fee - Rs. 10,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students

Exam Fees - Rs. 1,000 + 18% GST
Duration – 30 Hours
Mode of Class – Online

CERTIFICATE COURSE ON GST

Course Fee - Rs. 10,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students

Exam Fees - Rs. 1,000 + 18% GST
Duration – 72 Hours
Mode of Class – Online

** Special Discount for Corporate*

ADVANCED CERTIFICATE COURSE ON GST

Course Fee - Rs. 14,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students

Exam Fees - Rs. 1,000 + 18% GST
Duration – 40 Hours
Mode of Class – Online

ADVANCED COURSE ON GST AUDIT AND ASSESSMENT PROCEDURE

Course Fee - Rs. 12,000 + 18% GST [Including Exam Fee]
Duration – 30 Hours
Mode of Class – Online

ADVANCED COURSE ON INCOME TAX ASSESSMENT AND APPEAL

Course Fee - Rs. 12,000 + 18% GST [Including Exam Fee]
Duration – 30 Hours
Mode of Class – Online

CERTIFICATE COURSE ON INTERNATIONAL TRADE

Course Fee - Rs. 10,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final Pursuing Students

Exam Fee- Rs. 1,000 + 18% GST
Duration-50 Hours
Mode of Class – Online

Admissions open for the courses - <https://eicmai.in/advsc/DelegatesApplicationForm-new.aspx>

CRASH COURSE ON GST FOR COLLEGE AND UNIVERSITY

Batch Size – 50 (Minimum)

Eligibility criterion - B.COM/B.B.A pursuing or completed
M.COM/M.B.A pursuing or completed

Course Fee - Rs. 1,000 + 18% GST
Exam Fees - Rs. 200 + 18% GST
Course Duration - 32 Hours

CRASH COURSE ON INCOME TAX FOR COLLEGE AND UNIVERSITY

Batch Size – 50 (Minimum)

Eligibility criterion - B.COM/B.B.A pursuing or completed
M.COM/M.B.A pursuing or completed

Course Fee - Rs. 1,500 + 18% GST
Exam Fees - Rs. 500 + 18% GST
Course Duration - 32 Hours

For enquiry about courses, mail at – trd@icmai.in

E-PUBLICATIONS OF TAX RESEARCH DEPARTMENT

Impact of GST on Real Estate	Handbook on GST on Service Sector
Insight into Customs - Procedure & Practice	Handbook on Works Contract
Input Tax Credit & In depth Discussion	Handbook on Impact of GST on MSME Sector
Exemptions under the Income Tax Act, 1961	Insight into Assessment including E-Assessment
Taxation on Co-operative Sector	Impact on GST on Education Sector
Guidance Note on GST Annual Return & Audit	Addendum_Guidance Note on GST Annual Return & Audit
Sabka Vishwas-Legacy Dispute Resolution Scheme 2019	An insight to the Direct Tax- Vivad se Vishwas Scheme 2020
Guidance Note on Anti Profiteering	International Taxation and Transfer Pricing
Advance Rulings in GST	Handbook on E-Way Bill
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TAXATION COMMITTEES - PLAN OF ACTION

Proposed Action Plan:

1. Successful conduct of Certificate Course on GST.
2. Publication and Circulation of Tax bulletin (both in electronic and printed formats) for the awareness and knowledge updation of stakeholders, members, traders, Chambers of Commerce, Universities.
3. Publication of Handbooks on Taxation related topics helping stakeholders in their job deliberations.
4. Carry out webinars for the Capacity building of Members - Trainers in the locality to facilitate the traders/registered dealers.
5. Conducting Seminars and workshops on industry specific issues, in association with the Trade associations/ Traders/ Chamber of commerce in different location on practical issues/aspects associated with GST.
6. Tendering representation to the Government on practical difficulties faced by the stakeholders in Taxation related matters.
7. Updating Government about the steps taken by the Institute in removing the practical difficulties in implementing various Tax Laws including GST.
8. Facilitating general public other than members through GST Help-Desk opened at Head quarter of the Institute and other places of country.
9. Introducing advance level courses for the professionals on GST and Income Tax.
10. Extending Crash Courses on Taxation to Corporates, Universities, Trade Associations etc.

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