

VAARTA..Let's talk!

Alacrity Corporate Solutions Pvt. Ltd.



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उतिष्ठतजाग्रतप्राप्यवरान्निबोधत।कशुरस्यधारानिशितादुरत्ययादुर्गपथस्तत्कवयोवदन्ति॥

Rise, awake! Having obtained these boons, understand them! Like the Razor's sharp edge is difficult to traverse, the path to one's self is difficult. -Verse from Katha Upanishad

The idea of Self-realization is key to one's advancement. Swami Vivekananda also reiterated the idea of arise and awake in his famous lines, 'Arise, awake and stop not till the goal is reached. The lines are apt for current situation and therefore we should constantly make efforts for self-discovery and to abreast ourselves with the developments.

In these challenging times, we cannot meet, we cannot travel but yes, we can talk. Thanks to our desire and enabling technology, we can still interact. Alacrity being a true companion for the clients and people associated with it, puts all its knowledge, experience and tools to *"foster prosperity to you"*

The world is changing fast and so is the compliance regime, every day is witnessing multiple changes around compliance ecosystems of business and society. Norms are changing and so it is utmost important for us to keep ourselves updated.

"VAARTA--- LETS TALK" is an initiative to keep in touch and share some legal insights and news about the changes in the corporate world. We want you to be updated with all the recent amendments and its impact on you as an organization.

It is a weekly circulation with each edition targeting one specific area of compliance.

This issue highlights and captures amendments and events relating to the **IncomeTax, Goods and Service Tax.**

We will like to hear from you, please send your feedback to services@alacritycorp.com for any improvements or suggestions.

Thank you in anticipation for your reading and sending your comments.

STAY HOME, STAY SAFE

Editorial team

In This Issue

The Novel Coronavirus (COVID-19) has been declared a global pandemic by the World Health Organization (WHO) and its rapid spread is causing severe economic disruption. To contain the spread of COVID 19, India is in lockdown mode like many other countries and this has been impacting individual taxpayers. In response, the Government of India has come to the rescue of taxpayers by providing various relief measures. In this article, we shall cover the relief measures provided to individual taxpayers first and then overall measures taken for all Taxpayers.

Sr. No.	TOPIC	Source	Contributed by
1	<i>Income Tax Relief for Individuals due to covid-19</i>	https://www.incometaxindia.gov.in/pages/communications/circulars.aspx	Ca Karishma Jain
2	<i>Income Tax - Relief To Lower/Nil Deduction Certificates</i>	https://www.incometaxindia.gov.in/Lists/Press%20Releases/Attachments/832/Press-Release-CBDT-issues-orders-under-section-119-of-IT-Act-1961-to-mitigate-hardships-dated-04-04-2020.pdf	CS Kalpa Jaiswal
3	<i>Announcement Regarding GST Act</i>	http://gstcouncil.gov.in/cgst-tax-notifications	Ca Karishma Jain
4	<i>GST Notification Circulars</i>	http://gstcouncil.gov.in/cgst-tax-notifications	Cs Kalpa Jaiswal

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Relief Under the Income Tax Act

Extension of DUE DATES for compliance and reduction in Interest/waiver of penalty

- Financial Year 2018-19: the **due date is 30.06.2020** to file **Income Tax Returns**
- Financial Year 2018-19: **Delay in payments till 30.06.2020 will attract a 9% rate**, Interest rate reduced to 9% from 12%
- **Interest rate on delayed deposit of TDS reduced to 9%** which was 18% earlier, till 30.06.2020
- **Dates of various other matters such as notice, notification, intimation, approval order**, statement filing, sanction order, filing appeals, applications, reports, any other compliance including investments, rollover of capital gains, wealth tax act, STT levy, Equalization law, etc. for **which time limit expired on 20.03.2020 or thereafter be extended to 30.06.2020.**
- **Aadhaar / PAN linking date is extended to 30.06.2020**
- **Vivad Se Vishwas Scheme (VSVS) scheme extended to 30.06.2020 i.e. without extra 10% additional charge and post 30.06.2020 additional payment will be applicable.**

RELIEFS for Lower/Nil TDS/TCS- validity date extended

The Central Board of Direct Tax (CBDT) has now announced relief measures with respect to lower/NIL TDS/TCS certificates obtained by taxpayers. Considering the disruptions in normal working, the field officer is unable to dispose of the applications for NIL/lower TDS/TCS applications, accordingly, CBDT has issued the following directions for lower/Nil deduction certificates:

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Sr. No.	Situation	Relaxation
1.	Taxpayer had obtained lower/NIL TDS/TCS certificate for Financial Year (FY) 2019-20 and have made an online application on TRACES portal for FY 2020-21, which is pending for disposal	Validity of certificates obtained for FY 2019-20 extended till 30 June 2020 or up to disposal of applications for FY 2020-21, whichever is earlier.
2.	Taxpayer had obtained lower/NIL TDS/TCS certificate for FY 2019-20 but could not apply for FY 2020-21	Validity of certificates obtained for FY 2019-20 extended till 30 June 2020. However, taxpayer needs to make an application for FY 2020-21 at the earliest giving details of the transactions as per the procedure prescribed in the notification as soon as normalcy is restored or 30 June whichever is earlier
3.	Taxpayer who have not obtained certificate for FY 2019-20	Taxpayer can apply as per procedure prescribed in the notification vide email. The notification also provides mechanism for handling by the tax officer of such application vide email (where tax officer is directed to issue certificate update 30 June 2020 over e-mail)
4.	Payments to Non-residents (including foreign companies) having Permanent Establishment (PE) in India and not covered situation 1 and 2 above	Applicability of tax rate of 10% (inclusive of surcharge and cess) on such payments till 30 June 2020 or disposal of their applications by the Assessing Officers, whichever is earlier.

Our Comments

This is a welcome relief for the taxpayers as there was huge difficulty to manually file the details and availability of tax officers in these difficult times was a challenge.



Announcements Regarding GST ACT

Extension of due dates for filing -waiver of Interest, late fee, and penalty

- For **taxpayers having average annual turnover lower than Rs. 5 Crore**, the applicable **last date to file GSTR 3B** which is due in March, April and May 2020 can now file the same **by the last week of June 2020**. There is no interest, late fee, and penalty charged.

Extension of due dates for filing -**reduction of Interest**, waiver of late fee, and penalty

- **Other taxpayers** can file returns due in March, April and May 2020 **by the last week of June 2020** however there will be a reduced rate of interest @ 9 % per annum from 15 days after the due date (note that current interest rate is 18% per annum). Also, in this case, no late fee and penalty to be charged, if filed before or till 30th June 2020.
- **The date for opting composition scheme extended to 30.06.2020**
- **Due date for making payments for the quarter ending 31st March 2020 and filing of return for 2019-20** by the composition dealers is also **extended till the final week of June, 2020**.
- **Vivad se Vishwas Bill**
 - **Scheme extended till 30.06.2020.**

- No penalty or interest levied on payments made under the scheme for assesseees whose turnover is not more than 1.5 crores.
- **Customs clearance to operate 24*7 till 30.06.2020**

Goods and Services Tax - Notifications- Central Tax- Notifications/Circulars

1. **Notification No. 38/2020–Central Tax- GSTR-3B can be filed through EVC till 30.06.2020 in case of registered person being Company. NIL GSTR3B Return allowed to be filed by SMS.**

Manner of furnishing of return by short messaging service facility.

Notwithstanding anything contained in this Chapter, for a registered person who is required to furnish a Nil return under section 39 in **FORM GSTR-3B** for a tax period, any reference to electronic furnishing shall include furnishing of the said return through a short messaging service using the registered mobile number and the said return shall be verified by a registered mobile number based One Time Password facility.

Explanation. -For the purpose of this rule, a Nil return shall mean a return under section 39 for a tax period that has nil or no entry in all the Tables in **FORM GSTR-3B**. ”.

2. Notification No. 39/2020–Central Tax- New GST Registration for corporate debtors undergoing corporate insolvency resolution process -RELEVANT FOR IBC proceedings

(i) in the first paragraph, the following proviso shall be inserted, namely: –

“Provided that the said class of persons shall not include those corporate debtors who have furnished the statements under section 37 and the returns under section 39 of the said Act for all the tax periods prior to the appointment of IRP/RP.”

(ii) for the paragraph 2, **with effect from the 21st March 2020**, the following paragraph shall be substituted, namely: –

“2. Registration.-The said class of persons shall, with effect from the date of appointment of IRP / RP, be treated as a distinct person of the corporate debtor, and shall be liable to take a

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new registration (hereinafter referred to as the new registration) in each of the States or Union territories where the corporate debtor was registered earlier, within thirty days of the appointment of the IRP/RP or by 30th June, 2020, whichever is later.

2. Notification No. 40/2020–Central Tax- CBIC extends validity of e-way bills till 31.05.2020 for all those e-way bills which were generated on or before 24.03.2020 and had expiry between the period from 20.03.2020 to 15.04.2020

“Provided that where an e-way bill has been generated under rule 138 of the **Central Goods and Services Tax Rules, 2017** on or before the 24th day of March, 2020 and its period of validity expires during the period 20th day of March, 2020 to the 15th day of April, 2020, the validity period of such e-way bill shall be deemed to have been extended till the 31st day of May, 2020.”

CBIC Further Extends due date for furnishing GST annual return/reconciliation Statement (GSTR9 / GSTR 9C) for financial year 2018-2019 to 30th September 2020 vide Notification No. 41/2020–Central Tax dated 5th May, 2020.

The Commissioner, on the recommendations of the Council, hereby extends the time limit for furnishing of the annual return specified under section 44 of the said Act read with rule 80 of the said rules, electronically through the common portal, for the financial year 2018-2019 till the 30th September, 2020.

OUR KNOWLEDGE PARTNER

PRANAV KUMAR & ASSOCIATES

FOUNDER: MR PRANAV KUMAR

(Company Secretary having an experience over 20 years)

Corporate Office Address:

3F CS-70, Ansal Plaza, Sector-1,
Vaishali, Ghaziabad-201010 (U.P.)

Branch Office:

Kunti Sadan, Road No. 14, Mahatma Buddh Path,
Veer Kunwar Singh, chowk, Patna-800024 (Bihar).

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For any suggestions, query or concern:
write to us at services@alacritycorp.com
or call us at 0120-4126564 or 9716050088



**NOTHING CAN BE ACCOMPLISHED WITHOUT THE HOPE
OF ACCOMPLISHMENT, SO STAY CONNECTED IN HOPE
OF ACCOMPLISHMENT OF YOUR GOALS.**

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