

Substitution of Form No. 10DA being report for claiming deduction under section 80JJAA of the Income-tax Act. [268 Taxman (St.) 1].

The CBDT, vide notification No. GSR 937 [E] [No.104/2019(F. No. 370142/28/2019-TPL)], dated 18-12-2019, in exercise of power under section 80JJAA (2)(c), hereby gives the Income-tax (15TH amendment) rules 2019. It substitutes Form No. 10DA being the report under section 80JJAA of the Income-tax Act.

Assessment- Inquiry before assessment- extension of time limit for filing of response to notice issued under section 142(1) under E-assessment Scheme 2019. [268 Taxman (St.) 42].

The CBDT vide order [F. No. PR.CCIT (NeAc)/2019-20/61], dated 24-12-2019, with a view to provide relief to the taxpayers and tax professionals and to facilitate the compliance with respect to e-assessment proceeding under E-assessment Scheme, 2019, the time limit for filing of response to notices under section 142(1) of the Income-tax Act Issued up to 24.12.2019 by the National e-Assessment Centre is extended up to 10.01.2020 or time given in such notices, whichever is later.

Extension of due date for filing Income-tax returns and tax audit reports for assesses of Union Territories of Jammu & Kashmir and Ladakh [268 Taxman (St.) 43].

The CBDT vide order No.225/306/2019-ITA-II, dated 24-12-2019, on consideration of reports of disturbances in internet facility in certain areas of Jammu and Kashmir, the CBDT, in exercise of powers conferred under section 119 of the Income-tax Act, 1961 and in partial modification of CBDT's order under section 119 of the Act dated 23.07.2019, 27.09.2019 and 31.10.2019 hereby further extends the 'due-date' for filing of Income-tax Returns/Tax Audit Reports to 31st, January, 2020 in respect of all categories of income-tax assessee in the Union Territory of Jammu and Kashmir and Union Territory of Ladakh who were/are required to file the Income-tax Returns/ Tax Audit Reports by the due date specified under section 139(1) of the Act read with orders of CBDT under section 119 of the Act dated 23.07.2019, 27.09.2019 and 31.10.2019.

It is also clarified that ITRs/ TARs filed by the income-tax assessee after 30.11.2019 till the date of issuance of this order shall be deemed to have been filed within the due date specified under section 139(1) of the Act read with CBDT's order under section 119 of the Act dated 23.07.2019, 27.09.2019 and 31.10.2019.

Extension of last date of payment of December installment of advance tax for Financial Year 2019-20 in respect of assessee of North Eastern States i.e. Assam, Tripura, Arunachal Pradesh, Meghalaya, Nagaland, Manipur and Mizoram. [268 Taxman (St.) 43].

The CBDT vide Order [F. No. 385/38/2019-IT9B0], dated 16-12-19, considering the large-scale disruption of Internet Services in the North Eastern States-Assam, Tripura, Arunachal Pradesh, Meghalaya, Nagaland, Manipur and Mizoram, the Central Board of Direct Taxes, in exercise of power conferred under section 119(2)(a) of the Income-tax Act, 1961, has decided to extend the last date for payment of December Installment of Advance tax for FY 2019-20, from 15th December, 2019 to 31st December, 2019 all case of all the assessee, Corporate and other than Corporates, in the abovementioned states.

Extension of due date of payment of Tax Deducted at Source under section 194M. [268 Taxman (St.) 44].

The CBDT vide Circular No. 31/2019[F. No. 370142/18/2019-TPL], dated 19-12-2019, considering the fact that the utility for payment of tax deducted at source under section 194M of the Income-tax Act, 1961 was deployed on 17-12-2019, the Central Board of Direct Taxes, in exercise of the power conferred under section 119 of the Act, hereby extends the due date for payment of tax deducted at source under section 194M during the month of September, 2019 and October, 2019 and the due date for furnishing the challan-cum-statement in Form 26QD for the same, from 31-10-2019 and 30-11-2019 respectively to 31-12-2019. Consequently, the due date of furnishing of the certificate of deduction of tax in Form 16D has also been extended for the tax deducted during the month of September, 2019 and October, 2019 to 15-01-2020.

Acceptance of payment through prescribed electronic modes-clarification in respect of prescribed electronic modes under section 269SU of the Act read with rule 119 AA of Income-tax Rules, [268 Taxman (St.) 45].

The CBDT vide Circular No. 32/2019 [F. No. 370/35/2019-TPL], Dated 30-12-2019, in furtherance to the declared policy objective of the Government to encourage digital economy and move towards a less-cash economy, a new provision namely section 269SU was inserted in the Income-tax Act, 1961, vide the Finance (No. 2) Act, 2019, which provides that every person having a business turnover of more than Rs. 50 Crore (“specified person”) shall mandatorily provide facilities for accepting payment through prescribed electronic modes. The said electronic modes have been prescribed vide notification No. 105/2019, dated 30-12-2019 (“prescribed electronic modes”). Therefore, with effect 1st January, 2020, the specified person must provide the facilities for accepting payment through the prescribed electronic modes. Further, section 10A of the payment and Settlement System Act, 2007, inserted by the Finance Act, provides that no Bank or system provider shall impose any charge on a payer making payment, or a beneficiary receiving payment, through electronic modes prescribed under section 269SU of the Act. Consequently, any charge including the MDR (Merchant Discount Rate) shall not be applicable on or after 1st January, 2020 on payment made through prescribed electronic modes.

In this connection, it may be noted that the Finance Act has also inserted section 271DB in the Act, which provides for levy of penalty of five thousand rupees per day in case of failure by the specified person to comply with the provision of section 269SU. In order to allow sufficient time to the specified person to install and operationalise the facility for accepting payment through the prescribed electronic modes, it is hereby clarified that the penalty under section 271DB of the Act shall not to be levied if the specified person installs and operationalizes the facilities on or before 31st January, 2020. However, if the specified person fails to do so, he shall be liable to pay a penalty of five thousand rupees per day from 1st February, 2020 under-section 271DB of the Act for such failure.

Furnishing of information and maintenance of documents by constituents entity of international group-Rule 10DA and 10DB of Income-tax rules. [268 Taxman (St.) 54]

The CBDT vide notification no. G.S.R.14(E) [No. 03/2020(F. No. 370142/19/2019-TPL)], Dated 06-01-2020, in exercise of the powers conferred by section 92D(4)(1) and section 286(8) of Income-tax Act, gives Income-tax (2nd Amendment) Rules 2020.

It amends rule 10DA and rule 10DB.

- Under Rule 10DA every person of a constituent entity of an international group, shall keep and maintain information and document in respect of an international group in Form 3CEAA. The information and document specified in the above rule shall be furnished to the Joint Commissioner on or before the due date for furnishing the return of income as specified by the authority. The constituent entity shall furnish Part A of Form No. 3CEAA even if the conditions specified under sub-rule (1) are not satisfied. Where there are more than one constituent entities resident in India of an international group, the Form No. 3CEAA may be furnished by any one constituent entity designated by international group.
- In Rule 10DB every constituent entity resident in India, shall, if it is constituent of an international group, the parent entity of which is not resident in India, it shall intimate to Joint Commissioner as may be designated by the Director General of Income-tax (Risk Assessment). Every parent entity or the alternate reporting entity, resident in India, shall, for every reporting accounting year, in respect of the international group of which it is a constituent, furnish a report in Form No. 3CEAC two months prior to the due date for furnishing of report.

One may refer to the above Magazine for further Details.