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Registro di cassa : banca Mese Febbraio 2019

				Uscite		Entrate		Descrizione
				Totale		Totale		
04/02/2019	IVA 7,7%	IVA 2,5%	Esenza IVA	42,00	✓	42,00	✓	
04/02/2019				165,65	✓	165,65	✓	
04/02/2019					✓	37,45	✓	
05/02/2019				48,00	✓	48,00	✓	
07/02/2019				13,75	✓	14,70	✓	
07/02/2019		0,99			✓	16,10	✓	
08/02/2019		16,11		38,00	✓	38,00	✓	
08/02/2019				84,65	✓	84,65	✓	
08/02/2019				50,05	✓	50,05	✓	
08/02/2019				61,00	✓	61,00	✓	
08/02/2019				50,00	✓	50,00	✓	
08/02/2019				12,65	✓	16,55	✓	
08/02/2019				19,45	✓	50,00	✓	
08/02/2019					✓	12,65	✓	

Attestazione IVA in de.
Categorie IVA
IVA 7.7 % (prestatore di Sunrise)
I suoi prodotti Sunrise
Sunrise Freedom max - 079 240 13 27
Vantaggio Sunrise 15% sul canone di base
Sunrise Internet start 20
Vantaggio Sunrise 15% sul canone di base
combinare conviene.
Questo mese risparmia
Per maggiori informazioni consultate la sezione

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by:
Manish Parekh



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by:
Anuya Sawant



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by:
Bhavesh Shah



**International
Taxation**

by:
Bhavesh Shah



**Company
Law**

by:
Mayura Niphadkar
Pinkesh Jain



**Compliance
Calender**

by:
Pinkesh Jain



**CBDT Chief slams
Income Tax
department for
lackadaisical attitude
towards redressing
Taxpayers' Grievances**

P.C. Mody, the Chairman of the CBDT, has taken a stern view regarding the lackadaisical attitude of the department in the matter of addressing grievances of the taxpayers. He has pointed out that the rights and dignity of the taxpayer have to be safeguarded while enforcing higher standards of accountability on officers and staff. He has directed the senior officers of the department to personally ensure that all grievances of taxpayers are satisfactorily addressed in a timely manner.

He said "inspite of all these efforts by the Board it is seen that the total number of pending grievances on CPGRAMS as on 20.06.2019 is 2647 out of which 885 grievances are pending for more than 30 days. Likewise 34026 cases of e-Nivaran are still pending for resolution. These figures are a cause of serious concern and point to a lackadaisical attitude in the effective redressal of the grievance by the concerned authority. Therefore I would like you to ensure that all officers under your jurisdiction are directed to take requisite steps so as to reduce the avenues of grievances. Necessary steps must also be taken to redress all cases of CPGRAMS pending for more than 30 days. All e-Nivaran cases must also be resolved in a systemic manner adhering to the given time lines"

(Source: <http://itatonline.org>)

**Assessment of Firms'-
some of the important
issues to be kept under
consideration by the
Assessing Officers
while framing
assessment-reg.-:**

C&AG had carried out a Performance Audit regarding 'Assessment of Firms under the Income tax Act, 1961 (Act)' and in its Report No.7 of 2014, has made certain suggestions so that in future, assessments in these cases are handled in a more effective manner by the Assessing Officers (Aos). Various recommendations made by the C&AG in its Report have been duly considered by the Board. In order to improve the quality of assessments being framed in these cases and also to reduce the scope for committing errors, the Board desires that Assessing Officers should duly take into consideration the following issues while making assessments in case of firms:

- ▲ Expenses in the hands of the firm such as interest on capital paid to the partners, remuneration payable to the working partners etc. are taxable in the hands of respective partners. Therefore, while framing assessment in case of firms, a cross-verification of such amounts with income-tax return of firm's partner will be desirable and any discrepancy between the tax return of a firm and its partners should be dealt with as per provisions of the Act. Further, AOs should invariably call for a copy of the partnership deed during the course of assessment proceedings and examine it carefully so that instances of payment of remuneration to any non-working partner or remuneration payment for period prior to the date of partnership deed but claimed as deductible are identified and cognizance of these are duly taken in assessment.
- ▲ Section 40(b)(iv) stipulates following three conditions for allowability of interest to the partners of a firm:
 - a) the payment should be in accordance with the terms of the partnership deed; and
 - b) it should relate to any period falling after the date of such partnership deed; and
 - c) it should not exceed the amount calculated at the rate of twelve percent simple interest per annum. Instances have been noticed where the interest in the partnership deed was stated to be below twelve percent, yet, the same was allowed at the rate of twelve percent by the AO. Such mistakes should be avoided. Further, in case the rate prescribed in the partnership deed is in excess of twelve percent, the excess should be disallowed in assessment. The AO is also required to ascertain whether payment of interest is duly authorized by the partnership deed or not. Further, while calculating interest payable to the partners for purposes of section 40(b)(iv) of the Act, AOs are taking different yardsticks for calculating interest viz. opening balance of capital, closing balance of capital, fixed capital or current capital etc. In this regard, section 40(b)(iv) of the Act prescribes that payment of interest to partners should be authorized by and be in accordance with the partnership deed. Therefore, while framing assessment, AOs should refer to the terms of the partnership deed for purpose of computation of interest on capital payable to a partner.

- ▲ Clause (ii) and (v) of section 40(b) of the Act lays down that payment of remuneration to a working partner should be authorized by the partnership deed, be in accordance with the terms of the partnership deed, should relate to a period after the partnership deed and should also not exceed the maximum amounts prescribed therein. However, it has been noticed that in some assessments, AOs had allowed expenditure on remuneration to the working partners though the same was either not authorized by the partnership deed or was in excess of the amount specified therein. In order to prevent recurrence of mistakes and allowing the expenditure strictly as per provisions of the Act, the AOs should ensure that claim under section 40(b)(v) of the Act is allowed only after a thorough verification of the partnership deed. Further, while computing remuneration which is allowable to a working partner under section 40(b)(v) of the Act, the term 'in accordance with the terms of the partnership deed' in clauses (ii) and (v) of section 40(b) of the Act implies that remuneration should not be undetermined or undecided. Hence, in all situations, partnership deed should form the basis for determination of remuneration payable to the working partners. Furthermore, in situations where the remuneration either so specified in the partnership deed or computed as per the method indicated therein falls short of the amount allowable under section 40(b)(v) of the Act, it would be restricted to the figure computed on the basis of the partnership deed.

While computing remuneration payable to the working partners under section 40(b)(v) of the Act, the remuneration should not exceed a particular aggregate amount which is based upon the figure of 'book profit', The Explanation 3 to section 40(b) of the Act contains definition of 'book profit' for the purposes of determination of remuneration of the partners and provides that 'book profit' shall mean the net profit, as shown in the profit & loss account for the relevant previous year, computed in the manner laid down in Chapter IV-O as increased by the aggregate amount of the remuneration paid or payable to all the partners of the firm if such amount has been deducted while calculating the net profit. Therefore, while computing 'book profit' for purposes of section 40(b)(v) of the Act, all incomes such as capital gain, interest, rental income, income from other sources etc. which do not fall under the head 'profit or gain of business or profession', should be excluded.

- ▲ AOs are advised to apply the provisions of Chapter XVI of the Act in assessment of firms whenever required. It should be taken into consideration that under section 185 of the Act, any noncompliance by the firm or its partners with provisions of section 184 of the Act may result in denial of expenses such as remuneration, interest etc. payable to the partners which are otherwise allowable under the provisions of the Act.
- ▲ It has also come to notice that some firms try to inflate the profits eligible for deduction under section 80IA of the Act by not claiming expenditure towards remuneration, salary, interest etc. which are payable to the partners. In such situations, Assessing Officers may examine these transactions in light of provisions of sub-section (10) of section 801A of the Act which empower Assessing Officer to re-compute profit of the eligible business after excluding the profits of the related activity/business which produced the excessive profit.
- ▲ While framing assessments in case of firms claiming carry forward and set off of losses, Assessing Officers are requested to verify such claims taking into consideration provisions of section 78 of the Act which disallow such a carry forward and set off in case of change in constitution of the firm or on succession.
- ▲ Regarding the issue concerning possible action against the tax auditor for furnishing incomplete information in the Tax-Audit Report and effective utilization of information in the Tax Audit Report by the Assessing Officers, it is reiterated that directions given earlier viz. Instruction No. 09/2008 dated 31.07.2008 of CSDT should be followed scrupulously by the field authorities.

(Source: <http://itatonline.org>)

Direct Tax Code Review ▶

The Central Board of Direct Taxes (CBDT) expanded the terms of reference (ToR) of the expert panel constituted to rewrite direct tax legislation.

The new ToR will be broadened to include:

- ▲ Faceless and anonymous scrutiny assessment.
- ▲ System based cross verification of financial transactions
- ▲ Reduction of litigation and expeditious disposal of appeals before the Commissioner Income-Tax (Appeals), High Courts & Supreme Court
- ▲ Reduction in compliance burden by simplification of procedure
- ▲ Sharing of information between Income Tax, GST, Customs, FIU

The CBDT has nominated two new members — Chief Economic Advisor Krishnamurthy Subramanian and Joint Secretary (Revenue) Ritvik Pandey — to be the part of the direct tax code panel.

The CBDT has been working on the concept of faceless scrutiny and jurisdiction-free assessment for some months. Faceless scrutiny is a system where a taxpayer need not interact with the tax official. Jurisdiction-free is the mechanism where an assessing officer is not aware of the assessee's location.

Direct tax collection target fixed at Rs 13.35 lakh crore; is achievable: CBDT chairman ▶

The government has re-calibrated and fixed the direct taxes collection target for this financial year at Rs 13.35 lakh crore, a task that the CBDT chief said is difficult but achievable. He also said that the government can only think of further & "lowering" corporate tax rates once the exemptions and deductions in this sector are phased out.

"In the last revised estimates, our target (for 2019-20 financial year) was fixed as Rs 13.78 lakh crore which appeared to be rather unrealistic because it was showing an increase of almost 24 per cent year- on-year. This is the submission we made while budget deliberations were going on," CBDT Chairman Pramod Chandra Mody told PTI.

"I am happy to say that the government in its wisdom was appreciative of that and they went by the actual collections which happened last year. And consequent to that the budget (collection target for direct taxes) has now been fixed at Rs 13.35 lakh crore," he said. This translates, Mody said, to about 17.5 per cent increase year-on-year.

Now, this (current target) has to be seen in the perspective of the historical growth rate in collections in the past three years..., the CBDT chief said. "This gives me lot of hope and confidence that we will be able to achieve the 17.5 per cent growth that we are mandated to achieve. It would be a difficult task but not totally unachievable," he added.

Due date extended for applicability of Rule 138E (restriction for generating E-way bill)

CBIC has extended the date from which the facility of blocking and unblocking on e-way bill as per the provision of Rule 138E of CGST Rules, 2017 applicable from June 21 st , 2019 to August 21 st , 2019.

[Notification No. 25/2019 - Central Tax dated June 21, 2019]

Due date extended for filing returns in FORM GSTR-7

The Commissioner has extended the time limit for furnishing the return by a registered person required to deduct tax at source under the provisions of section 51 of the Act in FORM GSTR-7 of the Central Goods and Services Tax Rules, 2017 under sub-section (3) of section 39 of the Act read with rule 66 of the Central Goods and Services Tax Rules, 2017 for the months of October, 2018 to July, 2019 till the August 31 st 2019.

[Notification No. 26/2019 - Central Tax dated June 28, 2019]

Exemption from filing of Form GSR-9 and GSTR-9C to supplier of OIDAR services

The Central Government, on the recommendations of the Council, notifies that the persons registered under section 24 of the GST Act read with rule 14 of the Central Goods and Services Tax Rules, 2017, supplying online information and data base access or retrieval (OIDAR) services from a place outside India to a person in India, shall not be required to furnish an annual return in FORM GSTR-9 and reconciliation statement in FORM GSTR-9C.

[Notification No. 30/2019 - Central Tax dated June 28, 2019]

Due date extended for furnishing the declaration in FORM GST ITC-04

The Commissioner extended the time limit for furnishing the declaration in FORM GST ITC-04 of the GST rules, in respect of goods dispatched to a job worker or received from a job worker, during the period from July, 2017 to June, 2019 till August 31 st 2019

[Notification No. 32/2019 - Central Tax dated June 28, 2019]

**Web based filing of
Annual Return on
Foreign Liabilities and
Assets Reporting for
FY 2018-19 by July
15, 2019**

All Indian companies and LLPs which have received FDI and/or made FDI abroad (i.e. overseas investment) in the previous year(s) including the current year, should file the annual return on Foreign Liabilities and Assets (FLA) by July 15 of every year.

With the objective to enhance the security-level in data submission and further improve the data quality, the present email-based reporting system for submission of the FLA return is replaced by the web-based system online reporting portal.

Following are the main features of the revised Foreign Liabilities and Assets Information Reporting (FLAIR) system:

- ▲ Reserve Bank has provided a web-portal interface <https://flair.rbi.org.in> to the reporting entities for submitting “User Registration Form” (containing entity identification and business user details, where LLPs and AIFs will no longer required to use dummy CIN). The successful registration on web-portal will enable users to generate RBI-provided login-name and password for using FLA submission gateway and would include system-driven validation checks on submitted data.
- ▲ The form will seek investor-wise direct investment and other financial details on fiscal year basis. In addition, the revised form seeks information on first year of receipt of FDI/ODI and disinvestment.
- ▲ Reporting entities will get system-generated acknowledgment receipt upon successful submission of the form.
- ▲ They can revise the data, if required, and view/download the information submitted.
- ▲ Entities can submit FLA information for earlier year/s after receiving RBI confirmation on their request email.
- ▲ The existing mechanism of email-based submission of FLA forms will be discontinued.

Indian entities not complying with above will be treated as non-compliant with Foreign Exchange Management Act, 1999 and regulations made thereunder.

(RBI/2018-19/226 A.P. (DIR Series) Circular No. 37 dated June 28, 2019)

Union Cabinet approves ratification of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting

The Multilateral Convention is one of the outcomes of the OECD project to tackle base erosion and profit shifting (BEPS). It enables countries to implement tax treaty related changes to achieve anti-abuse BEPS outcome without the need to bilaterally re-negotiate each tax treaty.

India, along with 67 countries, signed the convention in June 2017 wherein it submitted a list of 93 of its tax treaties that would be covered by the convention.

The Convention will modify India's treaties in order to curb revenue loss through treaty abuse and base erosion and profit shifting strategies by ensuring that profits are taxed where substantive economic activities generating the profits are carried out and where value is created.

The Union Cabinet, chaired by the Prime Minister, has now approved the ratification of the convention. The President's assent is, however, yet to be obtained.

(Print Release by Press Information Bureau, Government of India dated 12 th June 2019)

Indian subsidiary of a U.S. company does not constitute a PE in India under the India-U.S. tax treaty

Based on the facts and in the circumstances of the case, recently, the Mumbai Bench of the Income-tax Appellate Tribunal (the Tribunal) in the case of Gemological Institute of America dealt with the issue of determination of Permanent Establishment (PE) in India under Article 5 of the India-U.S. tax treaty (tax treaty). The Indian subsidiary was operating in an independent manner and there was nothing to show that the Indian subsidiary constitutes a PE of the taxpayer in India. Accordingly, the Tribunal held that Indian Group Company of U.S. entity does not constitute a PE in India under the India-U.S. tax treaty.

Determination of a PE in India is a fact specific exercise. The facts and arrangements for each case have to be analyzed to alleviate a PE exposure in India.

(Gemological Institute of America v. ACIT (ITA No. 1138/MUM/2015))

All disaster management expenses to be considered as a part of CSR

Indian companies will now be able to count all expenditure done towards disaster relief activities as part of their required annual Corporate Social Responsibility (CSR) spend. The MCA has made an amendment in Schedule VII of The Companies Act, 2013 to include disaster management, including relief, rehabilitation and reconstruction activities as a new area for spending amount under CSR activity under Section 135 of the Companies Act, 2013.

http://www.mca.gov.in/Ministry/pdf/Notification_06062019.pdf

Filing of form INC – 32 is now compulsory for Section 8

The amendment is made to make compulsory filing of Form INC – 32 for Section 8 Companies (License under Section 8 for New Companies with Charitable Objects etc.) instead of Form INC -12 effective from 15 th August 2019

http://www.mca.gov.in/Ministry/pdf/Rules_07062019.pdf

Circular in respect of filing of Form DIR – 3 KYC under the Companies Act, 2013

This amendment is made in the Companies (Appointment and Qualifications of Directors) Rules, 2014 to insert Rule 12A which is related to Directors KYC.

Further, under this insertion, MCA informed that, every individual who has been allotted a Directors Identification Number (DIN) as on 31 st March of a Financial Year and who has already been allotted a DIN as on 31.03.2018, shall have to submit e-Form DIR – 3 KYC to the Central Government within the prescribed time.

The Ministry vide its General Circular No. 07/2019 dated 27 th June, 2019 informed that:

- ▲ Every person who has already filed Form DIR – 3 KYC will only be required to complete his/ her KYC through a simple web - based verification service, with a prefilled database for ease of verification.
- ▲ Person who wishes to update his mobile no. or e - mail address, he would be required to file e – Form DIR – 3 KYC as the facility of updating details is not available in web – based service.
- ▲ In case of updating other personal details (other than Mobile No. and e – mail id) concern person have to file Form DIR – 6 before updating KYC through web–based service.

However, revised Form DIR – 3 KYC and web – based service is not yet available on MCA site.

http://www.mca.gov.in/Ministry/pdf/GeneralCircular_27062019.pdf

Due dates for the Month of Aug, 2019*

Regulation	Due Date	Compliance	Description
Goods and Service Tax (GST)	10-Aug-19	GSTR 8	Summary of Tax Collected at Source (TCS) and deposited by E-Commerce Operator for the month of Jul, 2019
	11-Aug-19	GSTR 1	Return of outward supplies of taxable goods and/or services for the Month of Jul, 2019 (for Assesseees having turnover exceeding 1.5 Cr.)
	13-Aug-19	GSTR 6	Return for Input Service Distributors for the month of Jul, 2019
	20-Aug-19	GSTR 3B	Summary Return for the month of Jul, 2019
	31-Aug-19	GSTR 7	Summary of Tax Deducted at Source (TDS) and deposited for the months Oct 2018 to July 2019
	31-Aug-19	GSTR 9	GST Annual Return (FY 2017-18)
	31-Aug-19	GSTR 9C	GST Annual Audit (FY 2017-18)
Income Tax Act, 1961	7-Aug-19	TDS/TCS	Due date for deposit of Tax deducted/collected for the month of Jul, 2019.
	7-Aug-19	TDS/TCS	Due date for issue of TDS Certificate for tax deducted under section 194-IA / 194-IB in the month of Jun, 2019
	15-Aug-19	TDS/TCS	Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending June 30, 2019
	30-Aug-19	TDS/TCS	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA / 194-IB for the month of July, 2019
Employees' State Insurance Act, 1948 - (ESIC)	15-Aug-19	ESIC Payment	ESIC Payment for the month of Jul, 2019.
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	15-Jun-19	PF Payment	PF Payment for the month of Jul, 2019.

* The above due date calender contains compliances generally applicable to taxpayers and this calender has been compiled by HSCo on basis of data available on various portals and other sources. One should always check applicable compliances based on their business needs and should also check updated due dates, if any, on the government portal before making the compliance.

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