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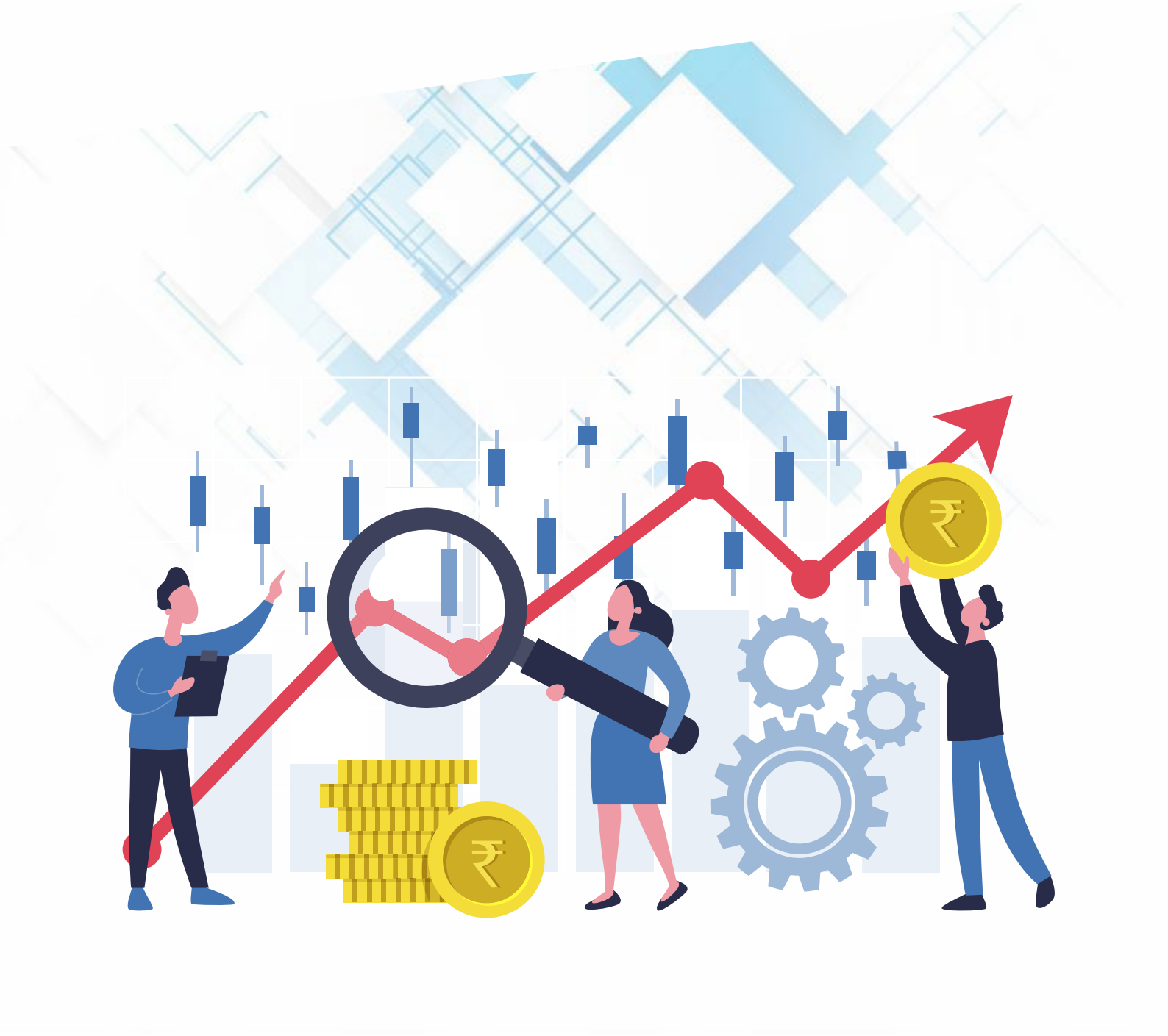
TAXATION TIMES

MAY 2021



Taxation Times is a monthly newsletter published by UJA specifically with an intent and object to simplify and provide clarity on certain provisions of the Income Tax Act, discuss the implications of various amendments and circulars notified time and again, understand the judicial precedents as decided by various courts and interpret these.

The Taxation Times is an initiative to keep you abreast with the latest development in the realm of the Direct Taxes in India.

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Contents

Liberalization of the economy has made way for several foreign investors to explore Indian markets. Either these investors look for setting up legal entities in India, looking for suitable vendors to outsource their manufacturing function or even find new customers in India. Whatever be the method, cross border transactions are on a rise and therefore the tax implications of these need to be clearly ascertained to minimize the scope of litigation, penalties etc. in the future.

The Income Tax Department in India is synchronizing and leveraging the use of technology to prevent leakage of revenue. Hence, cross border transactions must be examined with utmost precision to order to ensure appropriate tax levy.

In this edition of the Taxation Times, we –

- Examine the scope of fees for technical services and it's taxability in India
- Judicial Decisions by the Hon'ble High Courts and Tribunals
- Tax News from around the world
- Circulars, Notifications and Press releases for the month of May 2021
- Upcoming tax compliances for June 2021.

We hope that you find this edition of the Taxation Times useful. Incase you have any feedback or need us to include any information to make this issue more informative, please feel free to write to us at info@uja.in

Happy Reading!

Best Regards,
UJA Tax Team

Fees for Technical Services: A Detailed Analysis

With the liberalization of the Indian economy since 1991, India has witnessed huge inflows in the form of Foreign Direct Investment ('FDI') as well as technology transfer. There are host of initiatives which are being undertaken by the Indian Government to integrate India with the global economy.

Companies which are situated overseas often render management & consultancy services to Indian companies. These services are essential to boost Indian entrepreneurs. However, taxation of such transactions is often a matter of litigation and mainly because India follows the source rule of taxation.

In this background, let's take a look at how the Indian Tax Laws and DTAA provides for the taxation of such technical services rendered.

1. What constitutes Fees for Technical Services as per the Income Tax Act 1961?

Explanation 2 to Section 9(vii) of the Income Tax Act 1961 (ITA) characterizes certain payments as fees for technical services (FTS). Explanation 2 defines FTS to mean *"any consideration (including any lump sum consideration) for rendering of managerial, technical or consultancy services (including the provision of services of technical or other personnel) but does not include consideration for any construction, assembly, mining or like project undertaken by the recipient or consideration which would be income of the recipient chargeable under 'salaries'.*

Thus, FTS is consideration paid for rendering of *managerial, technical or consultancy services* including *provision of services of technical or other personnel*

But excludes *consideration for any construction, assembly, and mining or like project* and *salary received by a person in connection with providing technical service.*

The ITA no does not define managerial, technical or consultancy fees. However, the Hon'ble Supreme Court in the case of *GVK Industries Ltd.* has stated that *general and common usage of the said words has to be understood at common parlance while interpreting the ambit of the term FTS. Blacks Law Dictionary defines 'consultation' as an act of asking advice or opinion of someone (such as a lawyer). Based on such definition, the Hon'ble Apex Court held that consultation means a meeting in which a party consults or confers and eventually it results in human interaction that leads to rendering of advice.*

Considering human intervention, attention is invited to the decision of the Hon'ble Mumbai Tribunal in the case of *Atos Information Technology HK Ltd V/s DCIT* wherein it has been held that *human intervention for monitoring and repairing the hardware and software used for providing data processing services will not result in data processing services to qualify as technical services, where there is no human intervention in data processing services itself.*

Also, the Hon'ble Delhi Tribunal in *Le Passage India Tours & Travels (P) Ltd* stated that *not all advisory would qualify as technical services. For any consultancy to be treated as technical services, it would be necessary that technical element is involved in such advisory. Thus, consultancy can be rendered by somebody who has special skills and expertise in rendering such advisory.*

There are several other judicial precedents which have examined the concepts of 'managerial', 'technical and consultancy services'

2. Source Rule for taxation of FTS or when is FTS deemed to accrue or arise in India?

s. 9(1)(vii) of the ITA deem FTS to accrue or arise in India where:

a. It is payable by the Government;

b. Payable by a resident to a non – resident unless it is payable in respect of any right, property or information used or services utilized:

- Payable in respect of services utilized in a business or profession carried out by the resident outside India or
- For the purpose making or earning any income from a source outside India.

c. Payable by a non – resident to a non – resident only if it is payable in respect of any right, property or information used or services utilized for

- the purpose of or in the business or profession carried on by such non – resident in India or
- for the purpose of making or earning of any income from any source in India.

In view of the decision of the Hon'ble Supreme Court in the case if *Ishikawajima- Harima Heavy Industries* to protect the source rule, the Finance Act 2007 inserted explanation to s. 9 wherein it was stated that FTS shall be deemed to accrue or arise in India and shall be included in the total income of the non - resident whether or not he has a residence or a place of business or business connection in India.

The Finance Act 2010 amended the explanation deemed accrual of FTS. The further amended definition has clarified that in respect of FTS, the income shall be deemed to accrue or arise in India irrespective of the fact that the non – resident would not have rendered services in India. The further amendment was brought about to protect the interest of the revenue in view of the various judicial decisions which upheld that no income can be deemed to accrue in India if services were rendered outside India.

3. Role of a Tax treaty in taxing FTS

Countries often enter into tax treaties with each other to mitigate the effect of double taxation. Such treaties are referred to as Double Taxation Avoidance Agreements ('DTAA') and generally include:

- Define the taxes which are covered, who is a resident and who is eligible for benefits.
- Reduce the amounts of tax withheld from interest, dividends & royalties paid by the resident of one country to the resident of another country
- Define conditions in which income of individual residents of one country will be taxed in another country.
- Provide procedural framework for enforcement and dispute resolution.

The provisions of the ITA may not be the final determinant to determine the tax liability of a non – resident. Whichever positions (i.e as per the ITA or as per the Treaty) is beneficial to the non – resident would prevail. Taxability Matrix as under:

Subject	ITA	DTAA	Remarks
Item of Income	Taxable	Not Taxable	DTAA is applicable
	Not Taxable	Taxable	ITA is applicable
Rate of Tax	Higher	Lower	DTAA is applicable
	Lower	Higher	ITA is applicable

Royalty and FTS are contained in Article 12 or Article 13 of a DTAA which India has signed with other countries. The definition of FTS is more restrictive than the definition provided in the ITA in certain treaties. This restriction is due to the concept of 'make available' that is not found under the Indian Tax Laws.

Illustration

Company X is headquartered in Spain. Company Y incorporated under the Companies Act 2013 is the subsidiary of Company X. During the previous year, Company X provides '*design and drawing services*' to Company Y. Company Y undertakes manufacturing activity as per the specifications of the design and drawings & design and drawing charges to Company X.

Observation

1. In view of Article 13(4), of the India – Spain tax treaty, "fees for technical services" mean *consideration for the services of a technical or consultancy nature, including the provision of services of technical or other personnel.* In terms of Article – 13 (4), of the India – Spain DTAA, no *technical or consultancy services* have been provided. Merely, design and drawings were made available to Company Y.
2. The definition as per Indo – Spain DTAA & the Act being similar, in view of the Protocol, the Company Y is taking Treaty benefit of third OECD member Treaty i.e Indo – Portugal DTAA. Under Article 12(4) of the Portugal DTAA, a mere rendering of technical or consultancy is not sufficient. The rendering of such services should result in "making available" the technical knowledge, experience etc. which can be used further in it's business ;
3. To fit into the terminology of 'make available', the recipient of the service should be in a position of deriving enduring benefit and should be in a position to utilize the knowledge or the know – how in future on his own.

Interestingly, the definition of FTS as per Indo – Portugal DTAA is narrower than the definition of FTS under the Indo-Spain DTAA. As per the Indo – Portugal DTAA, rendering of technical or consultancy services is not sufficient, the recipient of the service should be in a position to derive enduring benefit of and should be in a position to utilize the know – how in the future.

In the illustration above, Company Y merely undertakes manufacture in line with the designs and drawings provided by Company X. Company Y cannot on it's own account undertake manufacturing without the designs and drawings without having recourse to Company X. Therefore, the design & drawing charges paid to Company X do not come under the purview of FTS.

There are several distinguished judgments wherein the application of the MFN Clause can lead to can lead to availment of benefits under more than one tax treaty. Further, the Protocol is an integral part of any tax treaty and the MFN Clause is self – operational –

- The Karnataka High Court in case of *ISRO Satellite Centre* held that by virtue of the Protocol of the India – France tax treaty , the beneficial clause in the India – USA tax treaty entered by India applies in respect of India – France treaty ;
- The Karnataka High Court in case of *De Beers India Minerals Pvt Ltd*. took aid of the MFN Clause under the India – Sweden tax treaty and held that on the basis of this Protocol the tax payer can take benefit of the 'make available' contained in the India – Singapore DTAA and claim exemption in respect of bringing to tax FTS in India;
- Similarly , the Pune Tribunal in case of *Sandvik AB* applied MFN Clause under the India – Sweden tax treaty and held that on the basis of the Protocol to the India – Sweden tax treaty , the tax payer can claim the benefit of the conditions imposed for bringing to tax the FTS in the India – Portuguese tax treaty ;

However, there are contrary decisions as well, for instance, the Hon'ble Delhi Tribunal in the case of *Sinar Mas* held that vetting of an existing project report by a reputed consultant (to enable the service recipient to raise finances) results in FTS in Article 12(4)(b) of the India – Singapore DTAA.

Thus, the perusal of the judicial precedents indicates that there is divergence of views and the controversy will subsist only when authoritative rulings are pronounced.

Conclusion

Thus, while examining the taxability of managerial and consultancy services, it is necessary to verify these in the light of the provisions of the ITA and applicable DTAA. This facilitates optimization of overall tax position in India.

Case Laws

"The Hon'ble Delhi High Court has recently held that when the taxpayer has purchased shares online, payments were made through banking channels, shares were dematerialized, sale of shares were routed through demat account and sale proceeds were received through banking channels, the action of the Assessing Officer to treat the Long term Capital Gain as bogus and make addition under section 69 of the Income Tax Act 1961 is not justified."

Facts

The taxpayer[1] an individual had for AY 2015 – 2016 filed her return of income declaring income from other sources. During the assessment proceedings, the Ld. Assessing Officer (AO) observed that the taxpayer had exempt income under s. 10(38) of the Income Tax Act 1961 (ITA) in respect of income from Long term Capital Gains (LTCG). The AO held that the taxpayer had adopted a colorable device of LTCG to avoid tax and concluded the assessment making an addition under s. 68 of the ITA on account of LTCG on penny stocks. The CIT(A) dismissed the appeal and confirmed the addition of the AO. On further appeal by the taxpayer, the Hon'ble ITAT deleted the additions and allowed the appeal of the taxpayer.

Aggrieved, the Revenue has filed an appeal before the Hon'ble Delhi High Court.

Issue

Was the AO justified in treating the sale from sale of shares which is exempt under s. 10(38) of the ITA as bogus and make addition under s. 68 of the ITA without conducting enquiry from an independent source but has merely relied upon statements recorded by the Investigation Wing?

Decision

1. The Hon'ble ITAT in the appellate order has held that the Ld. AO has framed the assessment order without conducting any enquiry from relevant parties or independent source or evidence but has merely relied upon the statements recorded by the Investigation Wing. The statements which were relied upon by the AO were not recorded during the assessment proceedings but were pre – existing statements recorded by the Investigation Wing and the same cannot be the sole basis of assessment without conducting proper enquiries and examinations during the assessment proceedings itself. The AO has not conducted any enquiry nor has brought on record any corroborative evidence to disprove the evidence produced by the taxpayer. The report of the Investigation Wing is much later than the date of purchase/sale of shares and the order of the SEBI is much later than the date of transaction transacted and nowhere the SEBI has declared the transactions transacted at earlier dates as void. Considering the evidences the taxpayer has discharged the onus cast upon by provisions of s. 68 of the ITA.

2. The Ld. Counsel for the Revenue stated that the ITAT has erred in law in deleting the addition. The observation of the ITAT that the Ld. AO has not conducted any enquiry is incorrect as the Ld. AO had in fact issued notices to the companies in question under s. 133(6) of the ITA. He further held that there may not be any direct evidence in the hands of the Revenue to establish that the investment made in such companies was an accommodation entry. The Court should take the aspect of human probabilities into consideration that no prudent investor would invest in penny scrips. Considering the fact that the financials of these companies do not support the gains made by these companies in the stock exchange, as well as the fact that despite the notices issued by the AO, there was no evidence forthcoming to sustain the credibility of these companies, he stated that it can be safely concluded that the investments made by the taxpayers were not genuine. He submits that the AO made sufficient independent enquiry and analysis to test the veracity of the claims of the taxpayer and after objective examination of the facts and documents, the conclusion arrived at by the AO in respect of the transaction in question, ought not to have been interfered with. In support of

[1] PCIT – 12 V/s Smt. Krishna Devi [2021] 126 taxmann.com 80 (Delhi)

his submission, reliance was placed upon the judgment of this Court in *Suman Poddar* v. *ITO*[2] and the Supreme Court in *Sumati Dayal* v. *CIT.*[3]

3. The Hon'ble ITAT has held that the AO's findings are primarily on the strength of the astounding 4849.2% jump in share prices of the aforesaid company within a span of two years, which is not supported by the financials. On an analysis of the data obtained from the websites, the AO observes that the quantum leap in the share price is not justified. The AO extensively relied upon the search and survey operations conducted by the Investigation Wing of the Income-tax Department in Kolkata, Delhi, Mumbai and Ahmedabad on penny stocks, which sets out the *modus operandi* adopted in the business of providing entries of bogus LTCG. However, the reliance placed on the report, without further corroboration on the basis of cogent material, does not justify his conclusion that the transaction is bogus, sham and nothing other than a racket of accommodation entries. The AO made an attempt to delve into the questions of infusion of the taxpayers unaccounted money, but did not dig deeper. Notices issued under sections 133(6)/131 of the ITA were issued, however nothing emerged from this effort. He thereafter simply proceeded on the basis of the financials of the company to come to the conclusion that the transactions were accommodation entries, and thus, fictitious. The conclusion drawn by the AO, that there was an agreement to convert unaccounted money by taking fictitious LTCG in a pre-planned manner, is therefore entirely unsupported by any material on record. This finding is thus purely an assumption based on conjecture made by the AO. This flawed approach forms the reason for the learned ITAT to interfere with the findings of the lower tax authorities. The learned ITAT after considering the entire conspectus of case and the evidence brought on record, held that the Respondent had successfully discharged the initial onus cast upon it under the provisions of s. 68 of the ITA. It is recorded that "There is no dispute that the shares of the two companies were purchased online, the payments have been made through banking channel, and the shares were dematerialized and the sales have been routed from de-mat account and the consideration has been received through banking channels." The above noted factors, including the deficient enquiry conducted by the AO and the lack of any independent source or evidence to show that there was an agreement between the taxpayer and any other party, prevailed upon the ITAT to take a different view.

4. Reliance placed by the Revenue on *Suman Poddar* case (*supra*) and *Sumati Dayal* case (*supra*) is of no assistance. Upon examining the judgment of *Suman Poddar* case (*supra*) at length, it is observed that the decision therein was arrived at in light of the peculiar facts and circumstances demonstrated before the ITAT and the Court, such as, *inter alia*, lack of evidence produced by the taxpayer therein to show actual sale of shares in that case. On such basis, the ITAT had returned the finding of fact against the taxpayer, holding that the genuineness of share transaction was not established by him. However, this is quite different from the factual matrix at hand. Similarly, the case of *Sumati Dayal* (*supra*) too turns on its own specific facts. The above-stated cases, thus, are of no assistance to the case sought to be canvassed by the Revenue.

5. The Ld. ITAT being the last fact finding authority on the basis of the evidence brought on record has come to the conclusion that the lower tax authorities are not able to sustain any the addition without any cogent material on record.

In a recent decision, the Hon'ble Surat Tribunal has held that when the revenue has accepted STCG offered by the co-owner, the taxpayer is also entitled to a similar relief.

Facts

The taxpayer[4] filed is return of income for AY 2008 – 2009. The return was initially accepted under s. 143(1) of the Income Tax Act 1961 (ITA). Subsequently, the case was re-opened under s. 147 and notice under s. 148 was served on the taxpayer. In response to notice under s. 148, the taxpayer filed reply stating original return filed to be treated as return in response to notice under s. 148 of the ITA.

[2] Suman Poddar v. ITO [2020] 423 ITR 480 (Delhi)
[3] Sumati Dayal v. CIT [1995] 80 Taxman 89/214 ITR 801 (SC)

[4] Shri Rajeshkumar Shantilal Patel V/s ITO, Ward 2(1), Surat/ITA No. 3665/AHD/2015 for AY 2008 - 09

The taxpayer objected to the method of valuation adopted by the DVO and raised an objection that sale instances considered were for AY 2011 – 12. The Ld. CIT(A) considering the submissions of the taxpayer and the report of the taxpayer upheld the order of the AO. While doing so, the Ld. CIT(A) relied on the decision of in the case of *K.R. Palanisamy V/s UoI*[5] and *CIT V/s Chandi Buchar.*[6]

The taxpayer has filed the appeal before the Hon'ble ITAT.

Issue

Can the revenue tax the income of two co-owners differently in respect of the same property which was sold by them?

Decision

1. The Authorized Representative (AR) for the taxpayer held that during the course of the assessment proceedings, the taxpayer filed objections in writing against the validity of the re-opening. The objection was not disposed by the AO. Again, the taxpayer during the assessment raised an objection that his co-owner Shri Dipakbhai Dalpatbhai Rana offered to tax in his return of income STCG of INR 4,25,500/- on sale of asset and the same was accepted by the revenue. The AR further stated that the Revenue cannot treat the taxpayer differently than his co-owner.

   The Ld. AR placed reliance on *CIT V/s Kumararni Smt. Meenakshi Achi*[7] wherein it was held that the taxpayer is entitled to the same benefit enjoyed by the other co-owner whose valuation of the same property at the same time as that of the taxpayer was accepted by the Revenue. Attention was also invited to the decision of *Shri Chetanbhai Prahald Gami V/s ITO*[8] and *Ramanbhai Ukabhai Patel (HUF) V/s ITO*[9] and *M. Ambalal Desai V/s ITO.*[10]

2. The Ld. Departmental Representative (DR) supported the orders of the lower authorities. He submitted that incase of co-owner Shri Dipakbhai Dalpatbhai Patel, no scrutiny was taken up. The return of income for the co-owner was accepted under s. 143(1) and therefore the plea of the taxpayer to treat him indifferently cannot be taken up.

3. The Hon'ble Tribunal highlighted the fact that the taxpayer brought the return of the co-owner was placed on record and his return of income was accepted. Both the Ld. AO and the Hon'ble CIT(A) have not placed on record any finding pertaining to this fact. Though, the Ld. CIT(A) referred the case to the DVO, the addition made on the deeming provision under s. 50C of the ITA was upheld.

4. The Tribunal observed that the findings in the case of *M. Ambalal Desai V/s ITO* are similar to the facts of the taxpayer on hand.

5. Placing reliance on the decision of *M. Ambablal Desai V/s ITO* and considering the factual and legal discussion, the Hon'ble Tribunal upheld the contention of the taxpayer that the similar STCG offered by the co-owner was accepted by the Revenue and therefore the taxpayer is also entitled to similar relief. The Hon'ble ITAT also stated that the observation of the CIT(A) that incase of Shri Dipakbhai Dalpatbhai Rana, no scrutiny assessment was initiated, this fact was brought by the taxpayer at the earliest possible action and the Revenue did not take any action to re-open the case of the co-owner. Therefore, the taxpayer cannot be treated differently. Accordingly, the appeal of the taxpayer is allowed.

5 K.R. Palanisamy V/s UOI (2008) 306 ITR 61 (Mad)

6 CIT V/s Chandi Buchar (2010) 323 ITR 510 (P&H)

7 *CIT V/s Kumararni Smt. Meenakshi Achi* 292 ITR 624 (Madras High Court)

8 Shri Chetanbhai Prahald Gami V/s ITO in ITA No. 2082/AHD/2013

9 Ramanbhai Ukabhai Patel (HUF) V/s ITO (2019) 102 taxmann.com 109 (Surat Tribunal)

10 M.Ambalal Desai V/s ITO in ITA No. 1870/AHD/2015

Tax In The News

President Joe Biden's proposed tax hikes are forecast to bring in $3.6 trillion over the next decade, the Treasury Department said a key funding source for the $4 trillion he hopes to spend remaking the American economy and social safety net.

https://cfo.economictimes.indiatimes.com/news/joe-biden-tax-plan-forecast-to-bring-in-3-6-trillion/83085714

Indonesia plans tax 'sunset policy' to boost asset declarations – Bisnis Newspaper.

https://www.reuters.com/article/indonesia-tax/indonesia-plans-tax-sunset-policy-to-boost-asset-declarations-bisnis-newspaper-idUSL3N2NF14P

The European Commission wants to propose in 2023 a more unified way of taxing companies in the European Union, hoping that such rules, which have failed to win support in the past, will stand a better chance if they follow global OECD solutions expected this year.

https://www.reuters.com/world/europe/eu-eyes-another-go-more-unified-european-business-taxation-2021-05-17/

To counter Biden corporate tax increase, Tech Mahindra may do more offshoring: CFO.

https://cfo.economictimes.indiatimes.com/news/to-counter-biden-corporate-tax-increase-tech-m-may-do-more-offshoring-cfo/82513125

Indonesia considers plan to tax trade in cryptocurrencies.

https://www.reuters.com/technology/indonesia-considers-plan-tax-trade-cryptocurrencies-2021-05-11/

Chances of deal on cross – border tax reform never been higher.

https://www.reuters.com/article/us-oecd-tax/chances-of-deal-on-cross-border-tax-reform-never-been-higher-oecd-idUSKBN2CM0RJ

Amazon wins court appeal as it battles the EU over a $300 million on tax bill.

https://www.cnbc.com/2021/05/12/eu-court-rejects-an-order-for-amazon-to-pay-back-300-million-in-taxes.html

The government is facing a fresh international challenge to the policy of retrospective tax amendments adopted by it. Now, Earlyguard, a British subsidiary of Japanese conglomerate Mitsui & Co, has commenced arbitration under the India-UK Bilateral Investment Treaty after income tax authorities raised a Rs 2,400-crore demand related to a transaction that took place in 2007.

https://cfo.economictimes.indiatimes.com/news/now-mitsui-arm-challenges-rs-2400-crore-retro-tax-order/82758701

Tax Compliance Due Dates

7 June 2021

Due date for deposit of Tax deducted/ collected for the month of May, 2021. However, all 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.

14 June 2021

Due date for issue of TDS Certificate for tax deducted under section 194-IA in the month of April, 2021.

Due date for issue of TDS Certificate for tax deducted under Section 194-IB in the month of April, 2021.

Due date for issue of TDS Certificate for tax deducted under Section 194M in the month of April, 2021.

15 June 2021

Due date for furnishing of Form 24G by an office of the Government where TDS/ TCS for the month of May, 2021 has been paid without the production of a challan.

Quarterly TDS certificates (in respect of tax deducted for payments other than salary) for the quarter ending March 31, 2021.

First instalment of advance tax for the assessment year 2022-23.

Certificate of tax deducted at source to employees in respect of salary paid and tax deducted during Financial Year 2020-21.

30 June 2021

Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA in the month of May, 2021.

Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194-IB in the month of May, 2021

Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194M in the month of May, 2021

Return in respect of securities transaction tax for the financial year 2020-21.

Due date for linking of Aadhaar number with PAN.

The due date for linking Aadhaar number with PAN has been extended from March 31, 2021 to June 30, 2021 vide Notification S.O. 1432(E), dated 31-03-2021.

Payment of tax under the Direct Tax Vivad se Vishwas Act, 2020 without additional charge

The due date for payment of tax under the Direct Tax Vivad se Vishwas Act, 2020 without additional charge has been extended to June 30, 2021 vide Notification S.O. 1704 (E), dated 27-04-2021

Circulars, Notifications & Press Releases

The Central Board of Direct Taxes, clarifies that if different relaxations are available to the taxpayers for a particular compliance, the taxpayer is entitled to the relaxation which is more beneficial to him.

https://www.incometaxindia.gov.in/communications/circular/circular_10_2021.pdf

Extension of time limits of certain compliances to provide relief to certain taxpayers in view of the pandemic.

https://www.incometaxindia.gov.in/communications/circular/circular_9_2021.pdf

CBDT inserts Rule 11UAE for the computation of Fair Market Value of Capital Assets for the purpose of s. 50B of the Income Tax Act 1961.

https://www.incometaxindia.gov.in/communications/notification/notification_68_2021.pdf

CBDT inserts Rule 11UD for determining threshold limits of Significant Economic presence.

https://www.incometaxindia.gov.in/communications/notification/notification_41_2021.pdf

CBDT notifies rules for individuals availing cash allowance from employer in lieu of any leave travel concession or assistance.

https://www.incometaxindia.gov.in/communications/notification/notification_50_2021.pdf

CBDT exempts hospitals from penalty provisions for accepting cash in excess of INR 2 lakhs for COVID treatment.

https://www.incometaxindia.gov.in/communications/notification/notification_56_2021.pdf

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