Tax News

July 2024

For private circulation only

Union Budget for 2024-25

India

Discussion on budget highlights

Transmittal

In relation to this publication, you may contact:

George Joseph, Managing Partner
Cell : +91 97464 00575
Email: gj@gja.co.in

P. Rajagopal, Jt. Managing Partner
Cell : +91 93886 09990
Email: pr@gja.co.in

Shaji Varghese, Partner
Cell : +91 98470 44030
Email: shaji.varghese@gja.co.in

Umesh Bhat, Partner
Cell : +91 98472 74567
Email: umeshbhat@gja.co.in

Reuben Joseph, Partner
Cell : +91 98952 09307
Email: reuben.joseph@gja.co.in

N. Vijayakumar, Principal (Indirect Tax.)
Cell: +91 94463 62533
Email: vjkumar@gja.co.in

Allen Joseph, Partner
Cell : +91 90483 06882
Email: allen.joseph@gja.co.in

Raphael Sharon, Partner
Cell : +91 99462 03087
Email: raphael.sharon@gja.co.in

Nithin Siva, Partner
Cell : +91 77368 93698
Email: nithin.s@gja.co.in

George Nettady, Partner
Cell : +91 94950 07758
Email: george.nettady@gja.co.in

Godwin Thomas, Manager, Risk Advisory
Cell : +91 94968 36346
Email: godwin.thomas@gja.co.in

July 24, 2024

Dear Reader,

The Honorable Finance Minister Ms. Nirmala Sitharaman presented the Union Budget for the financial year 2024-2025 ('Budget 2024') before the Lok Sabha on July 23, 2024. After a significant electoral victory for the third consecutive term, there were high expectations for Budget 2024 to bring substantial relief to the middle-class taxpayers. While Budget 2024 did not include large increases in the tax slabs or major reductions in tax rates, it did offer some positive changes like a slight tweak in the tax slab and standard deduction. Additionally, a drastic reduction in the long-term capital gains rate was announced, though it came with the removal of indexation benefits.

However, Budget 2024 had many bright spots. Start-ups celebrated the elimination of the 'Angel Tax' and the reintroduction of a successful tax amnesty scheme. Several withholding tax rates were reduced, and impractical provisions were dropped, aligning with practical realities. Charitable institutions were relieved to see corrections in tax laws that previously hindered their registrations and access to CSR funds. The Finance Minister also addressed long-standing industry requests by relaxing harsh GST provisions that denied input tax credit and proposed a scheme to waive interest and penalties on pending demands. Overall, while not perfect, Budget 2024 introduced several meaningful changes aimed at fostering economic growth and to provide relief to taxpayers.

As in the earlier years, it gives us great pleasure to present you with a quick snap-shot on Budget 2024. We believe that you will benefit from the early insights on Budget 2024 through this issue of 'Tax News', though more clarity is expected on many of the provisions which will unravel in the coming days. We hope you will also find the ready reckoner and the compliance calendar useful.

Should you require any further clarifications or details on the budget proposals or any assistance in the analysis of the impact of the proposals on your business, please do feel free to get in touch with us. As always, we look forward to your valuable feedback.

Yours faithfully

George Joseph
Managing Partner

37/2038, 1st Floor, Muttathil Lane
Kadavanthra, Cochin – 682 020, Kerala

Phone: +91 484 2207 411
Email - mail@gja.co.in

Executive summary

Executive Summary

Direct Taxation

- **Tax rates and slabs** - Tax rate, surcharge and cess of domestic companies remain unchanged. While tax rates under the new and old regime for individuals also remain unchanged, the slabs have undergone a small change effectively giving a benefit of upto Rs. 17,500 per year.

- **Taxation of trusts** - In order to simplify the procedures and to reduce administrative burden, it is proposed to merge the existing two regimes of exemptions for trusts, funds or institutions [section 12 and 10(23C)]. Proposal to rationalize the timelines for trusts, funds or institutions to file applications for 80G registration by removing the existing restrictive conditions which previously resulted in unintended permanent exit of the funds or institutions from Section 80G approval.

- **Taxation of firms** – Firms and LLPs will continue to be taxed @ 30% with surcharge capped at 15%. However, the maximum permissible remuneration has been increased marginally reducing the tax liability of firms.

- **Capital gains** - To simplify the capital gain tax regime, uniformity has been introduced in holding period for all capital assets except listed securities. Further it is proposed to have only a single rate for long term capital gain tax for all classes of assets. Short term capital gain tax for listed securities have been increased from 15% to 20% and for all other class of assets short term capital gain is taxed at the applicable slab rate. Further, the benefit of indexation for long term capital assets, which was introduced in the year 1981 has been abolished in lieu of reduction of long-term capital gain tax rate from 20% to 12.5%.

- **Abolition of angel tax** – The very controversial and draconian provision of taxing premium received on issue of shares popularly dubbed as 'angel tax' has been abolished through Budget 2024, offering a much-needed fillip to the start up ecosystem.

- **Share buyback now taxable as dividend** – Existing provisions provide that in the case of buyback of shares, the company will be taxed @ 20%. Budget 2024 proposes that buyback will henceforth be treated as dividend in the hands of the shareholders and will be taxed at their applicable rates. Further, the cost of the shares which have been extinguished as a result of the buyback will be treated as capital loss in the hands of the shareholders.

- **Rationalization of TDS & TCS provisions** - Budget 2024 has proposed various amendments to rationalize and simplify various TDS provisions. Major highlights include reduction in TDS rates, rationalization of interest on late remittance of TCS, extending the coverage of TCS to luxury goods exceeding Rs. 10 lakhs, bringing remuneration of partners in a Firm/LLP under the ambit of TDS. Employees are also now given the option to declare their tax credits from other sources of income to their employers which is expected to give them more cash in hand.

- **Time limit to rectify defects in TDS/TCS returns** – Budget 2024 has placed a time restriction of 6 years to rectify errors in TDS / TCS returns filed. The impact on old defects which are yet to be rectified remains to be seen.

Settlement of disputes - With the objective of providing a mechanism of settlement of disputed issues and for reducing litigation without additional cost to the exchequer, Direct Tax Vivad se Vishwas Scheme, 2024 is being introduced based on the success of the previous scheme which was introduced in the year 2020.

Indirect Taxation

GST

- **Relief to section 16(4) demands** – Much awaited relief to demands raised under section 16(4) were introduced by Budget 2024. The proposals aim to provide relief by extending the time limit to avail input tax credits pertaining to the periods FY 2017-18 to FY 2020-21 to November 30, 2021.

- **New provision for adjudication and audit proceedings** – The operation of sections 73 and 74 have been limited to FY 2023-24. FY 2024-25 onwards, section 74A will be the operative section which has provided for a maximum of 42 months for issue of notice and 6 months time for issuing the order against the show cause notice.

- **Waiver of interest and penalty** – Section 128A has been introduced to provide for waiver of interest and penalties against demands raised relating to the periods FY 2017-18 to FY 2019-20 provided the tax has been paid in full on or before March 31, 2025.

Customs

- **Reduction in duty for precious metals** - Gold, silver and platinum to get cheaper as Customs duty has been reduced to 6 per cent for gold and silver and platinum to 6.4 per cent. This will provide a fillip to the jewellery industry. This measure may lead to a short-term decrease in jewellery prices leading to higher sales. However, it could widen the trade deficit and further weaken the rupee in the long term.

- **Manufacturing and telecommunication** - To promote domestic manufacturing, custom duty rates have been reduced for certain sectors. Customs duty for mobile parts has been reduced to 15%, custom duty has been removed on 25 critical minerals.

- **Aquaculture** - Duty reduction in certain brood stocks, shrimps and fish feed to 5 per cent will act as stimulus to the aquaculture industry which has been reeling under pressure.

- **Increase in duty rates** - To prevent adverse environmental impact, the import of non-biodegradable PVC flex banners, which are hazardous to both the environment and health, is proposed to be curbed. Consequently, duty on these imports has been increased to 25 percent.

Direct Taxation

Key highlights

- Income slabs for individuals under the new regime have been slightly tweaked.
- There is no change in tax rates for individuals under the new regime and the old regime.
- No change has been proposed for surcharge for individuals.

Tax rates for individuals

- Budget 2024 has not proposed any changes in the tax rate for individuals. However, under the new tax regime, income slabs have been slightly tweaked without altering the tax rates.
- With effect from assessment year 2025-26 the following rates are provided under new regime and old regime for individuals:

New regime		Old regime	
Income	**Rate of tax**	**Income**	**Rate of tax**
Below Rs. 3.00 lakhs	Nil	Below Rs. 2.50 lakhs	Nil
Rs. 3.00 to Rs. 7.00 lakhs	5%	Rs. 2.50 to Rs. 5.00 lakhs	5%
Rs. 7.00 to Rs. 10.00 lakhs	10%	Rs. 5.00 to Rs. 10 lakhs	20%
Rs. 10.00 to Rs. 12.00 lakhs	15%	Above Rs. 10.00 lakhs	30%
Rs. 12.00 to Rs.15.00 lakhs	20%		
Above Rs. 15.00 lakhs	30%		

- No change has been proposed for the surcharge on income tax for individuals. Surcharge rates applicable for individuals is as follows:

Tax Regime	Income > Rs. 50 lakhs	Income > Rs. 1 crore	Income > Rs. 2 crores	Income > Rs. 5 crores
New regime	10% of income tax	15% of income tax	25% of income tax	25% of income tax
Old regime	10% of income tax	15% of income tax	25% of income tax	37% of income tax

Key highlights

- Tax rate for LLPs and firms continues at 30%.
- Tax rate of 25% has been retained for companies with turnover up to Rs. 400 crores. Other companies have a tax rate of 30%.
- Surcharges and cess remain unchanged.

Tax rates for companies and firms

- In the case of LLP and firms, the rate of income-tax remains unchanged at 30%.
- Reduced tax rate of 25% remains unchanged for companies with a turnover of up to Rs. 400 crores. Companies having turnover exceeding Rs. 400 crores will be taxed at 30%.
- The rates applicable to companies in different scenarios are given below:

Turnover	Income tax(a)	Surcharge on (a) (b)	Education and Health Cess on (a+b)	Effective tax rate
Domestic company - profit below Rs. 1 crore:				
Below Rs. 400 crores	25%	Nil	4%	26.00%
Above Rs. 400 crores	30%	Nil	4%	31.20%
Domestic company - profit between Rs. 1 crore to Rs. 10 crores:				
Below Rs. 400 crores	25%	7%	4%	27.82%
Above Rs. 400 crores	30%	7%	4%	33.38%
Domestic company - profit above Rs. 10 crores:				
Below Rs. 400 crores	25%	12%	4%	29.12%
Above Rs. 400 crores	30%	12%	4%	34.94%
Above Rs. 400 crores	30%	12%	4%	34.94%

Key highlights

- Lower tax rates of 22% and 15% for companies upon satisfaction of certain conditions
- Surcharge of 7% and 12% on domestic companies with income exceeding Rs. 1.0 crore and Rs. 10.0 crores respectively.
- Foreign companies with income exceeding Rs. 1.0 crore and Rs. 10.0 crores will be subject to a surcharge of 2% and 5% of income tax respectively. Tax rate for foreign companies has been reduced from 40% to 35%
- The old tax amnesty scheme is proposed to be relaunched.
- Equalisation levy on e-commerce operators has been removed.

Special rates for certain companies on satisfaction of conditions	Income tax	S'charge	Cess	Eff. tax rate
I. Domestic companies availing the benefit of section 115BAA	22%	10%	4%	25.168%
Conditions:				
- No deductions/incentive/exemptions can be claimed such as SEZ benefits, benefits of Section 80IA, 80IAB, 80IAC, 80IB etc. except Section 80JJAA				
- Cannot claim additional depreciation				
II. Domestic company been set up and registered on or after 1 October 2019 and has commenced manufacturing on or before 31 March 2024 – Section 115BAB	15	10%	4%	17.16%
Conditions:				
Apart from the conditions mentioned for companies mentioned in I. above, the additional conditions have to be satisfied:				
- Not to be formed by the splitting up and reconstruction of a business already in existence				
- Does not use any plant or machinery previously used for any purpose				
Other matters:				
Companies exercising above options will be excluded from provisions of Minimum Alternate Tax ('MAT')				
Surcharge rates applicable for such companies will be 10% rather than 7% in case of other companies.				

Taxation of foreign companies

- The base tax rate for foreign companies has been reduced from 40% to 35%.

'Vivad Se Vishwas'– Direct tax amnesty scheme

- After the success of the Direct Tax Vivad Se Vishwas Scheme, 2020, the government has announced a similar program with the objective of providing a mechanism for the settlement of disputed issues.
- The effective date of commencement of this scheme and the last date for the scheme will be notified.

Removal of Equalisation Levy on non-resident e-commerce operators

- Through Budget 2020, the government imposed a 2% Equalisation Levy on non-resident e-commerce operators from online supply of goods or services or facilitating online supply of goods or services. As the provisions were ambiguous and led to to a compliance burden, Budget 2024 proposes to remove them with effect from 1st August 2024.

Key highlights

- Angel tax provisions under section 56(2)(viib) has been abolished
- Limits for maximum remuneration for partners in a firm has been increased

Abolition of 'Angel Tax'

- In 2012, a draconian provision which later came to be dubbed 'Angel Tax' was introduced whereby companies issuing shares at values which were higher than their 'fair values' were taxed for the excess over such fair values. These provisions had a major impact on start-ups who had largely intangible assets. While the governments tried to cobble together a set of reasonable provisions over the years, these were never successful as there was significant scope for interpretation of what would be the fair value of a company's shares, especially under the 'Discounted Cashflow Method'.

- Apart from enriching a growing army of tax professionals and merchant bankers, these provisions achieved precious little. The Honourable Finance Minister has now taken cognizance of these provisions and has abolished 'Angel Tax' in its entirety with effect from FY 2024-25.

Maximum remuneration to partners' - Increased

- Although Budget 2024's proposals do not propose any direct relief to the firms, it has proposed to increase the limit of allowable deductions from the firm's income in respect of remuneration payable to its working partners.

- Presently, the limits are as under:

On the first Rs. 300,000 of the book profit or in case of a loss	Rs. 1,50,000 or at the rate of 90% of the book profit, whichever is more.
On the balance of the book profit	at the rate of 60%.

- The above limits are proposed to be **increased** as under:

On the first **Rs. 600,000** of the book profit or in case of a loss	**Rs. 3,00,000** or at the rate of 90 % of the book profit, whichever is more.
On the balance of the book profit	at the rate of 60%.

- This amendment will be effective from financial year starting from April 1, 2024.

Key highlights

- Higher STT on F&O trade may affect stock markets negatively in the short term
- Buyback of shares will be taxed in the hands of the investor, similar to that of dividend

Securities transaction tax increased on options trades

- Budget 2024 has proposed an increase in the rates of Securities Transaction Tax ('STT') on sale of an option in securities from 0.0625% to 0.1% of the option premium and on sale of a futures in securities from 0.0125% to 0.02% of the price at which such futures are traded.
- Stocks, futures, options, mutual funds and exchange traded funds come under the ambit of STT. The objective of STT is to mitigate tax evasion as the same is taxed at source.
- This move by the government aims to increase tax revenue and discourage retail investors from F&O trading. This may in turn have a negative short-term impact on stock market. The securities transaction tax rate revision w.e.f. October 1, 2024 is tabulated below:

Transaction	Old rate(%)	New rate (%)
Sale of option in securities	0.0625	0.1
Sale of futures in securities	0.0125	0.02

Share buyback will now taxable as dividends

- Currently, buybacks are taxed in the hands of the company at 20% and were tax free in the hands of the shareholders. Going forward, all income received by shareholders will be treated as dividend and taxed as per the income tax slab of the shareholder. The impact of the proposed amendment is that taxpayers in a higher tax bracket will effectively have to shell out more tax.
- Further, no expenses would be deductible against such buyback receipts and it would also be subject to applicable withholding tax similar to that of dividends.
- The shareholder whose shares have been extinguished under buy-back by the domestic company can claim a capital loss, which could be offset against capital gains or carried forward as stipulated (w.e.f. 1 October 2024)

Key highlights

- Major changes announced in capital gains taxation with changes in rates and period of holding for capital assets
- Exemption on long term capital gains threshold increased from Rs. 1 Lakh to Rs. 1.25 Lakhs

Capital gains tax - Drastic changes in the name of simplification

- With the objective of rationalization and simplification of the taxation on capital gains, the Finance Minister has proposed four drastic changes in the existing provisions:
    i. Change in holding period for classification of gains in short term / long term categories
    ii. Rates for short term gains on sale of listed equity instruments has been increased to 20% from present rate of 15%
    iii. Rate for long term capital gains have been fixed at 12.5% across all categories of assets. Presently the rate is 10% without indexation benefits for listed securities and 20% for other long term assets
    iv. Withdrawal of indexation benefit on costs associated with long term capital assets

  However, to provide relief for taxpayers having gain from sale of listed equity instruments, the exemption limit has been increased from the present limit of Rs. 1,00,000/- to Rs. 1,25,000/-.

Changes to holding period of assets

- Presently, capital assets are classified as long or short term assets on the basis of the period for which they are held by the taxpayer. There were 3 categories for this determination which were 12 months, 24 months and 36 months.
- Budget 2024 has proposed to simplify this and has reduced the holding period to 24 months from 36 months for certain class of assets.
- The proposed holding period for capital assets and rates of applicable tax are as below:

Type of assets	Period of holding	Nature of gains	Rate of tax
For all listed securities	More than 12 months	**Long Term** *(Note: Indexation benefit no longer available)*	12.5%
For all other assets	More than 24 months		12.5%
For all listed securities	Less than 12 months	**Short Term**	20%
For all other assets	Less than 24 months		At applicable rates
Unlisted debentures/ bonds	Period of holding irrelevant	**Irrelevant**	Chargeable at applicable rates

Key highlights

- Indexation benefits removed for long term capital gains which is likely to have a bearing on the real estate sector.
- Exemption of long term capital gains increased by Rs. 25,000.
- Parity in taxation of long term capital gains of residents and non-residents achieved.

Indexation benefit on long term assets removed

- Presently, an indexation benefit was available for long term capital assets whereby the original acquisition cost of an asset could be increased based on government notified indices. In the name of simplification of capital gain rates, Budget 2024 has proposed to remove the indexation benefit on long term capital assets. This has been partially offset by way of reduction in rates of long term capital gains from 20% to the proposed 12.5%.
- However, this move is likely to have a major impact on the real estate sector which was primarily dependent on the indexation benefits to set off the inflationary impact on the assets.
- It has been clarified by the Finance Minister that for assets acquired prior to 1st April, 2001, the taxpayers will be provided an option to adopt the higher of fair market value of the asset as on 1st April, 2001 or actual cost of acquisition of the asset, whichever is beneficial for them, as deemed cost of acquisition as on 1st April, 2001. However, no further indexation benefit will be eligible on this value.

Increase in exemption of long term gain on listed securities

- Rationalizing the rate for long term capital gain and keeping a fixed rate of tax at 12.5% will be disadvantageous to taxpayers who were hitherto paying only 10% on long term capital gains from listed securities.
- To soften the blow, Budget 2024 has proposed to increase the exemption on such capital gains from long term gains on listed securities from the existing Rs. 100,000 to Rs. 125,000.

Parity brought between resident and non-residents in taxation of long term capital gains

- To bring parity of taxation between residents and non-residents, with respect to long term capital gains, corresponding amendments to sections 115AD, 115AB, 115AC, 115ACA and 115E have been proposed to align the rates of taxation in respect of long-term capital gains proposed under section 112A and 112 and rates of short-term capital gains proposed under section 111A.
- Further, consequential amendments to align the withholding tax provisions with these provisions and to give effect to the changes in rates of capital gains tax are being proposed.

Key highlights

- Rationalisation of TDS rates. Proposed changes to take effect from October 1, 2024.
- TDS rates slashed to 2% for majority of the categories.

Rationalisation of TDS/TCS provisions:

Budget 2024 has proposed various amendments to rationalise and simplify various TDS provisions. Major highlights include reduction in TDS rates, rationalisation of interest on late remittance of TCS, extending the coverage of TCS to purchase of specified luxury goods exceeding Rs. 10 lakhs, bringing remuneration of partners in a firm/LLP under the ambit of TDS etc.

Reduction in TDS rates:

- Presently, there are various provisions of TDS with different thresholds and multiple rates between 0.1%, 1%, 2%, 5%, 10%, 20%, 30% and above. To improve ease of doing business and better compliance by taxpayers, Budget 2024 has proposed a reduction in rates under certain categories.

- While rates of TDS on salary, virtual digital assets, winnings from lottery etc/ racehorses, payment on transfer of immovable property and payments to non-residents, on contracts etc have been retained, several other rates have been reduced and rationalized at 2%.

- The major changes are tabulated below:

Section	Present rate	Proposed Rate	Effective from
Section 194D - Payment of insurance commission	5%	2%	April 1, 2025
Section 194DA - Payment in respect of life insurance policy	5%	2%	October 1, 2024
Section 194G – Commission etc on sale of lottery tickets	5%	2%	
Section 194H - Payment of commission or brokerage	5%	2%	
Section 194-IB - Payment of rent by certain individuals or HUF	5%	2%	
Section 194M - Payment of certain sums by certain individuals or HUF	5%	2%	
Section 194-O - Payment of certain sums by e-commerce operator to e-commerce Participant	1%	0.1%	

Key highlights

- Employees to be permitted to declare TDS/TCS credits from other sources of income.
- Interest on TCS increased to 1.5% per month to align with interest provisions on TDS.
- Time limit of six years has been set for filing rectifications of TDS/TCS statements.

Option to employees to claim TDS/TCS credits under other heads while estimating TDS on salary

- Currently, salaried employees can only declare their income under other heads to their employers when computing their tax liability. They did not have the option to declare the credits available from TDS/TCS collected by other parties.
- To address cash flow issues for employees, Budget 2024 proposes to allow employees to declare credits related to TDS/TCS collected from them by other parties when making a declaration to their employer for estimating tax deductions from their salary.
- Additionally, it has been clarified that employees cannot claim losses or expenses, except for losses under house property, in their declaration to the employer. Employees can declare the total income received under other heads of income and the corresponding TDS/TCS, but they cannot declare expenses or losses under these other heads that would reduce the overall TDS under the salary head.
- While this change could provide employees with relief by resulting in lower TDS on salary and therefore a higher take-home salary, it might create procedural challenges for employers. Employers will need to wait for detailed procedures to verify the authenticity of employees' claims.

Rationalisation of interest on late payment of TCS

- Presently, failure to deposit TCS collected attracted interest of 1% per month. This was not in alignment with the interest charged on late remittance of TDS which currently attracts 1.5% per month.
- To align the provisions of TCS and TDS on late remittances, Budget 2024 has proposed to revise the interest on late remittance of TCS to 1.5% per month.

Time limit to file correction statement on TDS/TCS

- Taxpayers who are liable to deduct TDS or collect TCS are required to file a statement after remittance of the deducted/collected tax to the government. Further, the taxpayer has the right to file a correction statement for rectification of any mistake or to add, delete, or update the information furnished in the statement. However, there was no time limit specified to furnish correction statements. Budget 2024 now proposes to restrict the time limit for such corrections so that no correction statement can be filed after six years from the end of the financial year in which the statement has been originally filed. It remains to be seen what would be the implications for old TDS / TCS errors which are still pending correction.

Key highlights

- TDS rate of 10% introduced on drawings exceeding Rs. 20,000 by partners in a firm otherwise than by share of profit.
- TCS coverage widened to include luxury goods spends exceeding Rs. 10 Lakhs. List of luxury goods yet to be notified.

TDS on payment of salary, interest, commission by firm to partners

- Currently, payments made by partnership firms to their partners, including salary, remuneration, interest, bonus, or commission, are not subject to TDS provisions. However, Budget 2024 proposes the introduction of a new provision, section 194T, to subject such payments to TDS.
- Under the proposed section 194T, TDS of 10% will apply to payments made to partners if the total amount paid exceeds Rs 20,000 in a financial year. This provision will be effective from the financial year 2024-25 onward. As a result, firms will need to estimate the total payments made to partners and deduct TDS accordingly.
- It is important to note that while individual payments to a partner (such as salary, remuneration, commission, bonus, or interest) may each be less than Rs. 20,000, all such payments must be aggregated for TDS purposes. Even if the total amount has not yet been paid to the partner but credited to their capital or current accounts, it must be considered for TDS deduction.

TCS coverage widened to include more goods, if value exceeds Rs. 10 lakhs

- Existing TCS provisions apply only to vehicle purchases when the value exceeds Rs. 10 lakhs. Considering the rising expenditure on luxury goods by high-net-worth individuals and to better track their spending, Budget 2024 proposes to expand the scope of TCS beyond vehicles.
- Budget 2024 proposes imposing TCS on notified luxury goods that exceed a value of Rs. 10 lakhs. The specific list of goods covered under this provision will be announced separately.

Clarification on TDS on immovable property

- TDS on purchase of immovable property attracted TDS at 1% in case the value of the property was more than Rs. 50 lakhs.
- However, there were uncertainties in case of joint buyers of property. In such cases there have been instances where it was interpreted that in case an individual buyer’s payment does not exceed Rs. 50 lakhs, then TDS would not be attracted.
- Budget 2024 has proposed to bring clarity to the intention of the legislature and through this amendment, which will be effective from 1st October, 2024, it has been clarified that in case the value of immovable property exceeds Rs. 50 lakhs, then irrespective of the share of individual buyers, such transactions will attract the provisions of TDS at the rate of 1%.

Key highlights

- Lower deduction certificates were eligible for deductions under section 194Q and 206C(1H)
- Time limit for filing belated TDS/TCS statements without penalty (in addition to late fees) has been reduced from one year to one month.
- Procedures on re-assessment procedures have been rationalized whereby assessing officers will have to share the information on the basis on which they propose to carry out re-assessment.
- The Commissioner (Appeals) has been granted the power to set aside an order passed under best judgement assessment and refer the case back to the assessing officer for a fresh assessment.

Lower deduction certificate for tax deduction under Section 194Q and tax collection under Section 206C (1H)

- Taxpayers who sold goods of value exceeding Rs. 50 lakhs were subject to TDS of 0.1% under Section 194Q. Those taxpayers were incurring losses or had situations where working capital was stuck in the form of tax deductions, Budget 2024 proposes to permit them to apply for a lower tax deduction certificate.

- Similarly, certain types of purchases such as alcohol, timber and scrap attracted TCS, i.e., the seller would be liable to collect tax on sales. Such buyers will also be permitted to apply for a lower collection certificate. These amendments will be applicable from October 1, 2024.

Penalty for failure on filing TDS/TCS return

- Penalty for the delay in filing of TDS/TCS returns shall be levied if the taxpayer fails to file the statement before the expiry of one month from the time prescribed to furnish such statement. Earlier, this period was one year from such date.

Change in procedure for re-assessment

- There is considerable litigation surrounding the new process for re-assessment of returns, i.e., where the tax department was concerned about income escaping assessment. Budget 2024 seeks to rationalise the provisions whereby the assessing officer would have to share the information on the basis of which income escaping assessment is suspected. The tax payer would have the right to file a reply and be heard before an order is passed by the assessing officer.

Powers of the Commissioner (Appeals)

- It is proposed that in cases where the assessment order was passed as a 'best judgment case', i.e., where the assessing officer passed an assessment order based on available material, in the absence of cooperation from the assessee, the Commissioner (Appeals) shall be empowered to set aside the assessment and refer the case back to the assessing officer for making a fresh assessment. Presumably, this amendment is to assist several assessees who may receive best judgement assessment orders simply because they were not aware of the proceedings due to its online processes. This amendment will take effect on October 1, 2024, and will apply to appellate orders issued by the Commissioner (Appeals) on or after that date.

Key highlights

- Standard deduction for salaried income has been increased to Rs. 75,000.
- Maximum deduction for income in the nature of family pension is increased to Rs. 25,000.
- Maximum deduction allowable for contribution to pension schemes is increased from 10% to 14% for both employee and employer.
- It is proposed to phase out the exemption under the first regime for charitable institutions (Section 10(23C)) and gradually transition to the second regime (Sections 11/12).
- It is proposed to permit the existing trust to apply for 80G registration any time after the commencement of activities.
- The merger of charitable institution will not attract provisions relating to tax on accreted income upon satisfying certain conditions.

Deductions for individuals

- The benefit of standard deduction has been increased from Rs. 50,000 to Rs. 75,000 for the salaried class and pensioners under the new and old tax regimes.
- The maximum deduction allowed for income in the nature of family pension has been increased from Rs. 15,000 to Rs. 25,000, which are chargeable under the head 'Income from other sources'.
- The limit for employers to contribute to pension schemes has been increased from 10% to 14% of salaries. While they can contribute further, the excess would not be allowed as an expenditure while calculating their taxable profits.
- Similarly, such contributions up to 14% of salaries would be tax free in the hands of an employee. Any higher contributions would end up taxable in their hands.

Rationalization of the provisions of charitable trusts and institutions

- Currently, the IT Act offers exemptions to certain institutions under two different regimes: Section 10(23C) and Sections 11/12. These regimes have been aligned over recent years through successive Finance Acts to provide similar benefits with uniform procedures and conditions. To simplify procedures further and reduce administrative burden, it is proposed to phase out the first regime and gradually transition trusts, funds, or institutions to the second regime.
- As per the current provisions of Section 80G, existing charitable trusts claiming income exemption under Section 11/12 were unable to get registration under section 80G, if they had not applied for it before commencing their activities. This inadvertently led to their permanent exclusion from Section 80G approval and also made them permanently ineligible to receive funds from corporates towards Corporate Social Responsibility ('CSR') activities. In order to clear this anomaly, the provisions have been proposed to be amended to permit existing trusts to apply for Section 80G registration any time after the commencement of activities.
- A new section, Section 12AC is proposed to introduced to bring clarity in the provisions related to merger of charitable institutions having similar objects and registered under Section 11/12. As per the proposed provisions, if conditions are satisfied, such mergers will not attract provisions relating to tax on accreted income in certain circumstances.

Indirect Taxation

Key highlights

- Relief to section 16(4) demands by offering a one time relief by permitting claims of ITC for FY 2017-18 to FY 2020-21 provided amounts were claimed before November 30, 2021.
- Sections 73 and 74 merged into section 74A from FY 2024-25 onwards with time limit to issue notice now restricted to 42 months

Relief to section 16(4) tax demands

- Section 16(4) was an infamous provision of the Central Goods & Services Tax Act, 2017 ('CGST Act') which denied input tax credit to taxpayers if they did not file their GST returns on time. Several taxpayers who had cashflow difficulties often put off filing their GST returns. Adding insult to injury, section 16(4) effectively penalized them by denying them input tax credit. To muddy the waters, various judicial forums had given inconsistent decisions. Budget 2024 proposes a one time amendment by stating that a taxpayer will be entitled to take input tax credit for FYs 2017-18 to 2020-21 provided such credit was taken through a return filed on or before November 30, 2021.

- This amendment is given effect to with retrospective effect from July 1, 2017. However, taxpayers who settled such demands already received were in a for a rude shock as the amendment clearly stated that where tax has already been paid or input tax credit reversed against an order, there would not be any scope for refunds.

New provisions for adjudication and penalty proceedings

- Sections 73 and 74 of the CGST Act contain the procedure for adjudication of show cause notices and imposition of penalty. Both provisions had various timelines for disposal of proceedings. Through amendments proposed in Budget 2024 the operation of both these provisions have been restricted to periods up to FY 2023-24.

- From FY 2024-25 onwards, section 74A has been inserted which covers scenarios of determination of tax not paid / short paid or erroneously refunded irrespective of whether the charges of fraud / suppression of facts have been invoked or not. Key points covered in the new section include the following:
  - Time limit for notice is 42 months from the due date of filing annual return for the respective financial year
  - Order to be issued within 12 months from the issue of notice (18 months with specific approval)
  - Penalty will be limited to 10% in cases where fraud, misrepresentation or suppression of facts is not alleged. All other cases, penalty will be a maximum amount of 100%.
  - Further, penalty can be avoided if tax and interest have been paid within 60 days of the show cause notice.

Key highlights

- Waiver of interest and penalty provided tax paid before March 31, 2025 for demands relating to FY 2017-18 to FY 2019-20.

Waiver of interest & penalty in specific cases

- Another amendment eagerly awaited was the waiver of interest and penalties. Through the introduction of section 128A, conditional waiver is provided for interest and penalty for notices issued under section 73 for FYs 2017-18 to 2019-20 provided the entire amount of tax demanded in the order is paid on or before March 31, 2025.

- In cases where interest and penalty have already been paid in respect of any demand under section 73, no refund of interest or penalty paid shall be be made.

Key highlights

- Customs duties on several items such as precious metals, mobile phones and accessories, critical medicines, raw materials for aquaculture have been slashed to promote domestic manufacturing
- Gold and silver to become cheaper, customs duty cut to 6%

Customs duty

- To boost domestic manufacturing and promote local value addition, Budget 2024 has proposed reduction or withdrawal of customs duties on a slew of items including gold & silver, mobile phones & chargers, medicines & medical equipment, critical minerals and inputs for leather & textiles industry. Withdrawal of exemptions or increase in customs duties have also been announced for some sectors such as chemicals and telecom equipment to incentivize domestic manufacturing.
- Changes in Basic Customs Duty (BCD) are proposed in the following manner (w.e.f. 24 July 2024):
  - Specified products of plastics: from 10% to 25%
  - Garden umbrella: from 20% to 20% or INR 60 per piece, whichever is higher
  - Laboratory chemicals: from 10% to 150%
- Effective from 1 October 2024, changes are proposed, including for BCD in Customs tariff for specified goods, such as specified machinery for use in aviation and shipping industries, aircraft and unmanned aircraft parts, blended aviation turbine fuel and specified electronic goods.
- Exemption from social welfare surcharge is extended to certain minerals, chemicals and metals.

Major changes in BCD:

- Following are the important items for which Budget 2024 has changed BCD w.e.f 24th July, 2024:

Item	Existing	Proposed
Plastics – PVC flex banners/sheets	10%	25%
Laboratory chemicals	10%	150%
Other roasted nuts and seeds	30%	150%
Live SPF Vannamei shrimp/Black tiger shrimp	10%	5%
Fish lipid oil for manufacture of aquatic feed	15%	Nil
Prawn and shrimp feed/fish feed	15%	5%
Cancer drugs	10%	Nil
Gold/silver bar	15%	6%
Gold/silver ore	14.35%	5.35%
X-ray tubes for manufacture of X-ray machines *(BCD exemption is to be reduced in a phased manner between 24 July 2024 to 31 March 2026)*	15%	5%, 7.5% or 10%
Mobile phones / charges/adapter of mobile phone	20%	15%
Capital goods for manufacture of solar cells/modules	7.5%	Nil
Solar glass for manufacture of solar cells/modules	Nil	10%

Key highlights

- **What becomes costlier:**
  - PVC flex films
  - Solar glass for manufacture of solar cells
  - Laboratory chemicals
  - Other roasted nuts and seeds, including arecanuts

- **What becomes cheaper**:
  - Gold/silver bars
  - Jewellery
  - Mobile phone/charges
  - Cancer drugs
  - Critical minerals

The impact of budget 2024 -2025 on key sectors :

Medicines – Health care industry:

- Exemption from customs duties has been proposed for more medicines for cancer patients and a reduction in duties has been announced for X-ray tubes and flat panel detectors for use in medical X-ray machines under the Phased Manufacturing Programme to synchronise them with domestic capacity addition.

Mobile phones and telecommunication equipment:

- Owing to manifold increase in domestic production and a 100-fold jump in exports of mobile phones in the last six years, Budget 2024 has proposed to reduce BCD on mobile phones, mobile PCBA (Printed Circuit Board Assembly) and mobile chargers to 15 per cent.

- Further, a proposal to increase the BCD on PCBA of certain telecom equipment from 10 to 15 per cent aims to incentivise domestic manufacturing.

Minerals and metal industry:

- Full exemption of customs duties on 25 critical minerals and reduction of BCD on two of them has been proposed. Critical minerals include lithium, copper, cobalt and rare earth elements that are critical for sectors like nuclear energy, renewable energy, space, defense, telecommunications, and high-tech electronics.

Solar energy:

- List of exempted capital goods for use in the manufacture of solar cells and panels has been expanded. Further, the exemption of customs duties for solar glass and tinner copper interconnect has not been revoked.

Precious metals – Gems and jewellery industry :

- Providing big relief to the gems and jewellery industry, customs duties on gold and silver have been reduced to 6 per cent from 15 per cent and that on platinum to 6.4 per cent from 15.5 per cent. This move will enhance sales by making these precious metals more affordable to the common man and also reduce smuggling.

Leather and textile industry:

- Giving an export fillip to the leather and textile sectors, Budget 2024 proposed to reduce BCD on real down filling material from duck or goose and added to the list of exempted goods for the manufacture of leather and textile garments, footwear and other leather articles for export.

Ready Reckoner

- Key TDS rates
- Reverse charge mechanism under GST
- Quoting of PAN
- Reporting financial transaction
- Compliance calendar

Key TDS Rates

Section	Nature of payment	Cut-off amount (INR)	Rate % (Individual)	Rate % (Others)
194	Dividend	5,000	10%	10%
194A	Interest other than interest on security (by bank)	Others 40,000 Sen. Citizens 50,000	10%	10%
194A	Interest other than interest on securities (by others)	5,000	10%	10%
194C	Contracts	30,000	1%	2%
194H	Commission or brokerage	15,000	2%	2%
194I(b)	Rent (Land / building / furniture)	2,40,000	10%	10%
194I(a)	Rent (plant & machinery / equipment)	2,40,000	2%	2%
194IA	Consideration for transfer of immovable property	50,00,000	1%	1%
194IB	Rent paid by individual / HUF not subject to tax audit	50,000 per month	2%	2%
194IC	Payment under joint development agreement to resident individual who transfers land / building	Nil	10%	NA
194J(1)(a)	Professional / Royalty / Non-compete fee	30,000	10%	10%
194J(1)(b)	Technical service (not being a professional service)	30,000	2%	2%
194J(1)(ba)	Any remuneration or commission paid to director of the company (other than those covered under Section 192)	-	10%	10%
194M	Contracts / professional charges / paid by individual / HUF not subject to tax audit	50,00,000	2%	2%
194N	Cash withdrawals (from bank, co-operative bank, post office) other than co-operative societies	Withdrawals in excess of Rs. 1 crore a year	2%	2%
	Co-operative societies	Withdrawals in excess of Rs. 3 crores a year	2%	2%
194T	Payment of salary, remuneration, interest, bonus or commission by partnership firm to partners	20,000	10%	10%

Key TDS Rates – Continued

Section	Nature of payment	Cut-off amount (INR)	Rate % (Individual)	Rate % (Others)
194O	Consideration paid by e-commerce operator for sale of goods or provision of services through its platform	5,00,000 (Individual)	0.1%	0.1%
194Q	Purchase of goods by a buyer whose turnover exceeds Rs. 10 crores	50,00,000	0.1%	0.1%
194R	Benefit or perquisite of a business or profession	20,000	10%	10%
194S	Purchase of virtual digital assets	50,000	1%	1%
195	Non Residents	TDS is to be deducted on a case to case basis, at rates to be determined based on DTAA or Income Tax Act, whichever is beneficial and also subject to certain conditions		

Notes

- **Section 194C**: Where the aggregate of the amounts paid / credited or likely to be paid / credited to a contactor exceeds INR 100,000 during the financial year, TDS has to be deducted.

- **No PAN for the payee**: TDS of 20% has to be deducted if the deductee does not furnish his PAN.

- **Tax returns not filed by deductees**: TDS at double the usual rate or 5%, whichever is higher, needs to be deducted if deductees from whom more than Rs. 50,000 has been deducted in the preceding two years, but have not filed their tax returns.

- **No TDS on goods transport**: No deduction shall be made from any sum credited or paid to the account of a contractor during the course of business of plying, hiring or leasing goods carriages if he furnishes declaration that he owns not more than 10 goods carriage vehicles and also furnishes his PAN, to the person paying or crediting such sum.

Higher rate for deduction of TDS / TCS - Section 206AB / 206CCA

Higher rate of TDS/TCS deduction is applicable to all payments except the specified payments mentioned below under Exclusions.

Applicability:

a. Aggregate TDS / TCS in each of immediately preceding two financial years is Rs. 50,000 or more and the person has **not filed OR filed after the due date**, the returns of income for **preceding financial year** for which the time limit for filing of income return has expired.
b. Assessee whose pan is inoperative due to PAN not linked with his Aadhar.

Key TCS Rates

- Tax is to be collected at source by sellers at the time of making specified sales to their customers. Seller will have to collect tax at source from the customers at the prescribed rates and remit it to the government on or before the 7th of the following month. Separate returns on quarterly basis will have to be submitted to the tax department.

Section	Nature of receipt	Cut-off amount (INR)	Rate %
206C(1)	Alcoholic liquor for human consumption	Nil	1%
206C(1)	Tendu leaves	Nil	5%
206C(1)	Timber	Nil	2.5%
206C(1)	Waste and scrap from the manufacture or mechanical working of materials	Nil	1%
206C(1F)	Sale of motor vehicle and other class of assets to be notified	10,00,000	1%
206C(1G)(a)	(i) Authorized dealer receiving amounts to be remitted outside India under the Liberalised Remittance Scheme ('LRS') of RBI obtained from any financial institution.	7,00,000	0.5%
	(ii) For the purpose of education, other than (i) or for the purpose of medical treatment	7,00,000	5%
206C(1G)(b)	Seller of overseas tour package which offers visit to a country outside India including travel and hotel stay	Nil	20%
206C(1G)(c)	Any other case relating to foreign remittances	Nil	20%
206C(1H)	Sale of goods by persons whose turnover exceeds Rs. 10 crores in the preceding financial year	50,00,000	0.1%

Quantum of TDS / TCS

If the provisions of Section 206AB or 206CCA are attracted, the following would be the applicable TDS / TCS rates: Twice the rate specified in the relevant provision of the IT Act/rates in force OR 5%, whichever is higher

Exclusions

- Payments to Non-residents not having a permanent establishment in India.
- Payment covered under the following sections:
  - Section 192 – TDS on salaries
  - Section 192A – TDS on premature withdrawal from EPF
  - Section 194B – TDS on lottery
  - Section 194BB – TDS on horse racing
  - Section 194LBC – TDS on income in respect of investment in securitisation trust
  - Section 194N - TDS on cash withdrawal from bank in excess of Rs. 1 crore

Furnishing of statement of financial transactions

Prescribed class of persons will have to furnish details of certain financial transaction entered by them during the year with the Income Tax Department. The list of some of these transactions which has to be reported by persons/entities are given below:

Class of persons	Nature of transactions	Value of transaction
Any entity/person who is liable for audit under IT Act	Receipt of cash against sale of goods or services	Cash payments exceeding Rs. 2,00,000/- in a year
Company or institution issuing bonds or debentures	Receipt from any person for acquiring bonds or debentures issued by the company or institution	Aggregating to Rs. 10,00,000/- or more in a year
Company	Receipt from any person for acquiring shares issued by the company	Aggregating to Rs. 10,00,000/- or more in a year
Company listed in a stock exchange	Buy back of shares from any person (other than the shares bought in the open market)	Aggregating to Rs. 10,00,000/- or more in a year
Authorized dealer in foreign exchange	Receipt from any person for sale of foreign currency including credit of such currency to foreign exchange card or expense in such currency through a debit or credit card or through issue of travellers cheque or draft or any other instrument	Aggregating to Rs. 10,00,000/- or more in a year
Registrar or sub-registrar	Sale or purchase of any immovable property	Payments/value as per stamp valuation exceeding Rs. 30,00,000/-

Annual reporting of transactions in Form 61A

All transactions covered under the various provisions mentioned in the above table will have to be reported to the Income Tax Department. The reporting will be done electronically in Form 61A. Form 61A will have to be furnished on or before 31st May each year. Non filing will lead to a penalty of Rs. 500 per day.

Mandatory modes of electronic payment

With effect from January 1, 2020, entities with turnover exceeding Rs. 50 crores will have to mandatorily provide the following prescribed electronic modes of payment

- Debit Card powered by RuPay
- Unified Payments Interface (UPI) (BHIM-UPI)
- Unified Payments Interface Quick Response Code (UPI QR Code) (BHIM-UPI QR Code)

With effect from February 1, 2020, a penalty of Rs. 5,000 per day will be leviable to entities which fail to provide the above three facilities for electronic modes of payment.

Transactions in relation to which permanent account number is to be quoted in documents

Every person should quote their PAN in all documents pertaining to transactions prescribed. List of such transactions are as below:

Nature of transaction	Value of transaction
Sale / purchase of motor vehicle	All transactions
Application for opening bank account	All transactions
Application for credit / debit cards	All transactions
Opening DEMAT account with depositor	All transactions
Payment to a hotel or restaurant against a bill or bills at any one time	Cash payments exceeding Rs. 50,000
Payments in connection for travelling to a foreign country including purchase of foreign currency	Cash payments exceeding Rs. 50,000
Purchase of mutual fund units	All payments exceeding Rs. 50,000
Purchase of debentures and bonds in a company or an institution	All payments exceeding Rs. 50,000
Payment to the Reserve Bank of India, for acquiring bonds issued by it.	All payments exceeding Rs. 50,000
Deposit with a banking company or a co-operative bank	Cash payments exceeding Rs. 50,000
Purchase of bank drafts or pay orders or bankers' cheques	Cash payments exceeding Rs. 50,000
Fixed deposits with banks, post office, NBFC's and Nidhi Companies	Payments exceeding Rs. 50,000 or aggregating to more than Rs. 5,00,000 during a financial year
Payment for one or more pre-paid payment instruments, to a banking company or a co-operative bank	Amounts aggregating to more than Rs. 50,000 during a financial year
Life insurance premium paid	Amounts aggregating to more than Rs. 50,000 during a financial year
Sale or purchase, by any person, of shares of an unlisted company	Payments exceeding Rs. 1,00,000 per transaction
Sale or purchase of securities other than shares	Payments exceeding Rs. 1,00,000 per transaction
Sale or purchase of immovable property	Payments / value as per stamp valuation exceeding Rs. 10,00,000
Any other sale or purchase, by any person, of goods or services	Amount exceeding Rs. 2,00,000 per transaction

Form 60

Any person entering into any transaction referred in the above table and raising bills should ensure that the PAN has been correctly furnished and the same has been mentioned in the document. In case the PAN is not available then a declaration to that extend should be obtained in Form 60.

Details of declarations received in Form 60 needs to be filed with the Income Tax Department on half yearly basis by 31st October and by 30th April each year in Form 61.

Ready Reckoner: Reverse charge mechanism under GST

Reverse charge mechanism under GST

- Under the normal taxation regime, the supplier collects the tax from the buyer and deposits the same after adjusting the output tax liability with the input tax credit available. But under the reverse charge mechanism, the liability to pay tax shifts from the supplier to the recipient.
- Unlike Service Tax, there is no concept of partial reverse charge. The recipient has to pay 100% tax on the supply.
- The liability for remittance of GST under the reverse charge mechanism by the recipient arises in the following scenarios:

Description of service
Legal services provided by an advocate or a firm of advocates
Services provided by a goods transport agency in respect of transportation of goods by road
Services supplied by an arbitral tribunal to a business entity
Services provided by way of sponsorship to any body corporate or partnership firm
Services supplied by an insurance agent to any person carrying on insurance business
Support services provided by Government / local authority in relation to (1) renting of immovable property (2) other specified services (postal service, transportation of goods or passengers, services in relation to aircrafts or vessels)
Services supplied by a recovery agent to a banking company or a financial institution or a non-banking financial company
Supply of security services by non-corporate to a registered person
Supply of specified categories of goods and services to notified classes of registered persons [such categories of goods and services and classes of registered persons are yet to be notified]
Services supplied through an E-commerce operator
Services supplied by a directors of a company or a body corporate
Services of lending of securities under Securities Lending Scheme, 1997 of SEBI
Services provided by way of renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient, provided to a body corporate.
Services supplied by any person by way of transfer of development rights for construction of project by a promoter

JULY 2024

Sun	Mon	Tue	Wed	Thu	Fri	Sat
30	1	2	3	4	5	6
7 TDS PAYMENT & EQUALISATION LEVY	8	9	10 GSTR 7, GSTR 8, PMT 01	11 GSTR 1 & GST ANX 1 (MONTHLY)	12	13 GSTR 1 (QUARTERLY), GSTR 5 & GSTR 6
14	15 PF, ESIC & TCS RETURN (APR-JUN 2024)	16	17	18 CMP 08 (APR-JUNE 2024)	19	20 GSTR 3B & GSTR 5A
21	22 QUARTERLY GSTR - 3B (QRMP)	23	24 QUARTERLY GSTR - 3B (QRMP)	25	26	27
28	29	30 QUARTERLY TCS CERTIFICATE FOR QUARTER ENDED 30-06-24	31 TDS RETURN (APR-JUN 2024) & ANNUAL ITR FOR AY 2024-25	1	2	3

AUGUST 2024

Sun	Mon	Tue	Wed	Thu	Fri	Sat
28	29	30	31	1	2	3
4	5	6	7 TDS PAYMENT & EQUALISATION LEVY	8	9	10 GSTR 7, GSTR 8, PMT 01
11 GSTR 1 & GST ANX 1 (MONTHLY)	12	13 GSTR 5 & GSTR 6	14	15 PF, ESIC & FORM 16A FOR THE QUARTER ENDED JUNE 2024	16	17
18	19	20 GSTR 3B & GSTR 5A	21	22	23	24
25 PMT-06 FOR JULY 24	26	27	28	29	30	31 PT (HALF YEARLY)

SEPTEMBER 2024

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7 TDS PAYMENT & EQUALISATION LEVY
8	9	10 GSTR 7, GSTR 8, PMT 01	11 GSTR 1 & GST ANX 1 (MONTHLY)	12	13 GSTR 5 & 6	14
15 PF, ESIC, ADVANCE TAX (Q2 AY 2025-26)	16	17	18	19	20 GSTR 3B & GSTR 5A	21
22	23	24	25 PMT-06 OF AUGUST	26	27 AOC-4 FOR OPC (180 DAYS FROM FY CIOSURE)	28
29	30 TDS QUARTERLY STATEMENT & TAX AUDIT REPORT IN FORM 3CA/3CB, DIR 3 KYC/KYC WEB	1	2	3	4	5

OCTOBER 2024

Sun	Mon	Tue	Wed	Thu	Fri	Sat
29	30	1	2	3	4	5
6	7 TDS PAYMENT & EQUALISATION LEVY	8	9	10 GSTR 7, GSTR 8, PMT 01	11 GSTR 1 & GST ANX 1 (MONTHLY)	12
13 GSTR 1 (QUARTERLY), GSTR 5 & GSTR 6	14	15 PF, ESIC & TCS RETURN (JUL-SEP 2024)	16	17	18 CMP 08 (JUL-SEP 2024)	19
20 GSTR 3B & GSTR 5A	21	22 QUARTERLY GSTR - 3B (QRMP)	23	24 QUARTERLY GSTR - 3B (QRMP)	25 ITC 04 (HALF YEARLY) IF AATO > Rs.5 CRORES	26
27	28	29	30 QUARTERLY TCS CERTIFICATE FOR THE QUARTER ENDED SEPTEMBER 2024, AOC 4 LAST DATE & FORM 8 FOR LLP	31 TDS RETURN, FORM 3CEB, FORM 3CA /3CB & 3CD (FOR 3CEB CASES) & ITR FOR COMPANIES	1	2

NOVEMBER 2024

Sun	Mon	Tue	Wed	Thu	Fri	Sat
27	28	29	30	31	1	2
3	4	5	6	7 TDS PAYMENT & EQUALISATION LEVY	8	9
10 GSTR 7, GSTR 8, PMT 01	11 GSTR 1 & GST ANX 1 (MONTHLY)	12 ESIC HALF YEARLY RETURN (APRIL24 - SEPT24)	13 GSTR 5 & GSTR 6	14	15 PF, ESIC, FORM 16A FOR THE QUARTER ENDED SEPTEMBER 24	16
17	18	19	20 GSTR 3B & GSTR 5A	21	22	23
24	25 PMT-06 OF OCTOBER	26	27	28	29 MGT 7/7A LAST DATE	30 ITR (AY 2024-25) FOR TRANSFER PRICING CASES

DECEMBER 2024

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7 TDS PAYMENT & EQUALISATION LEVY
8	9	10 GSTR 7, GSTR 8, PMT 01	11 GSTR 1 & GST ANX 1 (MONTHLY)	12	13 GSTR 5 & GSTR 6	14
15 PF, ESIC, ADVANCE TAX (Q3 AY 2025-26)	16	17	18	19	20 GSTR 3B & GSTR 5A	21
22	23	24	25 PMT-06 OF NOVEMBER	26	27	28
29	30	31 TDS QUARTERLY STATEMENT, GSTR 9, GSTR 9C, GSTR 9B, ITR -REVISED RETURN, BELATED RETURN/LATE RETURN (FY 23-24)	1	2	3	4

JANUARY 2025

Sun	Mon	Tue	Wed	Thu	Fri	Sat
29	30	31	1	2	3	4
5	6	7 TDS PAYMENT & EQUALISATION LEVY	8	9	10 GSTR 7, GSTR 8, PMT 01	11 GSTR 1 & GST ANX 1 (MONTHLY)
12	13 GSTR 1 (QUARTERLY), GSTR -5 & GSTR 6	14	15 PF, ESI, TCS RETURN (OCT 24- DEC 24)	16	17	18 CMP-08 (OCT 24 - DEC 24)
19	20 GST 3B & GSTR 5A	21	22 QUARTERLY GSTR - 3B (QRMP)	23	24 QUARTERLY GSTR - 3B (QRMP)	25
26	27	28	29	30 QUARTERLY TCS CERTIFICATE FOR THE QUARTER ENDED 31ST Dec	31 TDS RETURN (OCT 24 - DEC 24)	1

Note to Reader & Glossary

G. Joseph & Associates (GJA) is a firm of Chartered Accountants registered under the Institute of Chartered Accountants of India. "Tax News' is a periodical publication by GJA, meant only for internal distribution and distribution among select clientele of GJA. The contents and views expressed in the document are the views of GJA alone and the reader should not consider the same as a decision making input or an aid in investment / financial planning decisions. Further, this document, any extracts from the same or any views presented herein are not meant for public circulation. GJA reserves the right to modify the contents.

We have used the following sources while preparing this document

1. The Finance Bill, 2024
2. The Finance Minister's Budget speech, July 23, 2024
3. Various notifications issued by the Central Board of Indirect Taxes & Customs

Glossary

AY	**: Assessment Year**
BCD	**: Basic Customs Duty**
Budget 2020	**: Union Budget for 2020 - 21**
Budget 2024	**: Union Budget for 2024 - 25**
CGST Act	**: Central Goods and Services Tax Act, 2017**
CSR	**: Corporate Social Responsibility**
Crores	**: Ten millions**
DTAA	**: Double Taxation Avoidance Agreement**
EPF	**: Employees' Provident Fund**
ESIC	**: Employee State Insurance Corporation**
F&O	**: Futures & Option**
FY	**: Financial Year**
GJA	**: G. Joseph & Associates**
GST	**: Goods & Services Tax**
HUF	**: Hindu Undivided Family**
INR /Rs.	**: Indian Rupee**
IT Act	**: Income-tax Act, 1961**
ITC	**: Input Tax Credit**
Lakhs	**: Hundred thousands**
LLP	**: Limited Liability Partnership**
LRS	**: Liberalised Remittance Scheme**
MAT	**: Minimum Alternate Tax**
NBFC	**: Non Banking Financial Companies**
OPC	**: One Person Company**
PAN	**: Permanent Account Number**
PCBA	**: Printed Circuit Board Assembly**
PF	**: Provident Fund**
PT	**: Profession Tax**
RBI	**: Reserve Bank of India**
SEBI	**: Securities & Exchange Board of India**
SEZ	**: Special Economic Zone**
STT	**: Securities Transaction Tax**
TCS	**: Tax Collected at Source**
TDS	**: Tax Deducted at Source**
UPI	**: Unified Payments Interface**

36
YEARS

OF
CLIENT
SERVICE