

THE NEWS LETTER



Daily Updates

From

PRADEEP GOYAL, FCA

20th August, 2019

[Tuesday]

No-46

INDEX

UPDATES RELATED TO

- **New Direct Tax Code-Ministry of Finance**
- **Goods & Service Tax by CBIC**
- **Income Tax by CBDT**
- **Announcement by ICAI**
- **Announcements by ICSI**
- **Corporate Laws by MCA**
- **Listing/Market by SEBI**
- **Foreign Trade Policy by DGFT**
- **Start-ups by Start Up India Department**
- **Micro, Small & Medium Enterprises by Ministry of MSME**
- **Money Market/Banks by RBI**
- **New acts notified/Bills introduced in parliament or Executive orders by President**
- **Latest developments in Economy & Finance world.**





Updates related to New Direct Tax Code-Ministry of Finance

- Government receives the report of the new direct tax code from task force.

[Click here to enrol yourself for latest updates and write ups on Direct Tax Code](#)



Few proposals are: -

- Tax relief for middle class and individuals earning up-to Rs. 50 lacs;
- 25% tax rates for both domestic and foreign companies;
- Levy of branch profit tax on foreign companies;
- Eliminate Dividend Distribution Tax, dividend be taxable in hands of shareholders;
- Elimination of MAT provisions;
- Tax incentives for start-ups;
- Changes in assessment procedures;
- Setting up functional units based on IRS officer's sectoral specialisation;
- No significant changes in FII taxation;
- Fewer capital gain brackets for simplicity;
- E-assessment codified, video conferencing be launched;
- Abolishing settlement commission;
- Setting up a Litigation Management Unit to manage litigation process;
- Public Ruling option to let taxpayers approach CBDT for clarifications;
- Delinking Transfer pricing assessments, giving responsibility to separate units;
- Significant ease of compliance for taxpayers;
- No levy of inheritance tax;
- Use artificial intelligence for tax compliance

[Government did not release any draft of bill or recommendations in public domain yet, above information taken from various news sources like CNBC]



Updates related to Goods & Service Tax by CBIC

▪ Notification/Circular/Press release/FAQs/Portal Update/Write-up by CBIC

- ❖ For taxpayers filing form GSTN 9C, GSTN issues advisory titled “Issues & Mitigation steps”.

[\[Download here\]](#)

▪ Legal updates- Court/AAARA judgements/Advance Rulings

[AAARA- Appellate Authority for Advance Ruling | ARA- Advance Ruling Authority]

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
1	[2019] 108 taxmann.com 234 (AAR - KERALA) Space lance Office Solutions (P.) Ltd., In re ADVANCE RULING NO. KER /55/2019 JULY 15, 2019	Authority for Advance Rulings, Kerala	Advance Ruling	Where applicant engaged in business of sub-leasing of office spaces as 'co-working spaces' to their clients and in 'co-working space model' it offers dedicated distinct and identifiable space, tables and chair to each client working there and each client company is working as separate and identifiable office within main office, separate GST registration can be allowed to multiple companies functioning in a 'co-working space' and which provide services alone.

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
2	[2019] 108 taxmann.com 29 (Gujarat) Veer Industries Ltd. v. Commercial Tax Officer R/SPECIAL CIVIL APPLICATION NO. 13718 OF 2018 JUNE 28, 2019	High Court of Gujarat	Judgement	Where assessee-company was legal owner of a certain land and it had given on lease said land to a Company 'R' and two directors of assessee-company were also directors in company 'R' and company 'R' had defaulted in payment of tax under Gujarat VAT Act, land of assessee-company could not have been attached for purpose of recovering dues payable by company 'R'

▪ News/Latest Developments/Other updates

- ❖ Is the new GST return filing system really simple? Reconciliation holds the key. The crucial aspect that taxpayers have missed is that reconciliation under the new GST returns system has a fresh approach, which calls for better systems integration. [\[ET Report\]](#)
- ❖ Jammu traders demand extension of deadline for filing income tax, GST returns. [\[India Today Report\]](#)
- ❖ Will request government to extend due date of filing GST annual returns and income tax returns- Says Maharashtra CM [\[ANI News report here\]](#)



Updates related to Income Tax by CBDT

▪ Notification/Circular/Press release/FAQs

- ❖ CBDT issues Clarification regarding treatment of Farm-in expenditure incurred by the Oil Exploration and Production(E&P) Companies.

[\[Circular No. 20/2019 dated 19th August 2019\]](#)

▪ Legal updates- Tribunals, High Court & Supreme Court judgements

Sr.No.	Key to find the document	Description	
		Tribunal/Court	Brief judgement
1	[2019] 107 taxmann.com 290 (SC) DIT (IT)-II v. Black & Veatch Prichard, Inc.* PETITION (S) FOR SPECIAL LEAVE TO APPEAL (C) CC NO(S). 18089 OF 2016 SEPTEMBER 14, 2018	Supreme Court of India	Where High Court by impugned order held that in absence of any addition made on basis of reasons recorded, no other addition could be made in course of reassessment proceedings, SLP filed against impugned order was to be granted

Sr.No.	Key to find the document	Description	
		Tribunal/Court	Brief judgement
2	[2019] 107 taxmann.com 302 (Karnataka) Golden Gate Properties Ltd. v. Income-tax Department, TDS, Circle-16(2), Bengaluru* CRIMINAL PETITION NO. 868 OF 2014 APRIL 26, 2019	High Court of Karnataka	Where petitioners-real estate developer deducted tax at source but failed to credit same to account of Central Government as per provisions of Chapter XVII-B within prescribed time, they could not escape from rigour of section 276B in absence of reasonable cause for said failure in terms of section 278AA

▪ **News/Latest Developments/Other updates**

- ❖ Income tax return 2019: Filed ITR already? Here's what follows next.
[\[Times Now News report\]](#)
- ❖ How to show your trading and F&O income in the tax returns?
[\[The Hindu Business Line report\]](#)



Updates related to Announcement by ICAI

❖ ICAI issues-

- Exposure Draft of Standard on Internal Audit (SIA) 120, Internal Controls (Comments to be received by September 14, 2019), Last date for sending comments is September 14, 2019.

[\[Read here for more\]](#)

- Exposure Draft of Standard on Internal Audit (SIA) 390, Monitoring and Reporting of Prior Audit Issues (Comments to be received by September 14, 2019), Last date for sending comments is September 14, 2019.

[\[Read here for more\]](#)

- Exposure Draft of Standard on Internal Audit (SIA) 350, Review and Supervision of Audit Assignments (Comments to be received by September 14, 2019), Last date for sending comments is September 14, 2019.

[\[Read here for more\]](#)

- ❖ DAAB of ICAI organising 3 days Hands on Session on PRACTICAL GUIDE TO ISA on 13-15 September, 2019 at Noida. [\[Announcement here\]](#)

- ❖ Registration Open for the Certificate Course on ADR (Arbitration, Mediation & Conciliation) at Delhi on August-September, 2019. [\[Announcement here\]](#)



Updates related to Announcement by ICSI

- ❖ ICSI issued its Progress Report (January – July, 2019)- [Read here](#)



Updates related to Corporate Laws by MCA

- ❖ MCA Filling up Post of Personal or General Assistant Grade III in NFRA at New Delhi on Reputation basis. [\[Read here for more details\]](#)
- ❖ National Financial Reporting Authority(NFRA) Intends to Engage Four (04) Chartered Accountants on Contractual Basis.
[\[Read here for more details\]](#)
- ❖ MCA issues Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019.
[\[Notification here\]](#)
- ❖ Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019 have been notified and are available on www.IEPF.gov.in. Accordingly, IEPF-1, IEPF-2 and IEPF-4 forms shall be revised, new IEPF-1A shall be available and IEPF-6 shall be deprecated from 20th August 2019. Stakeholders are requested to plan accordingly.
- ❖ The Ministry of Corporate Affairs has amended the Companies (Share Capital & Debentures) Rules by removing Debenture Redemption Reserve requirement for Listed Companies, NCFCs and HFCs. Hence MCA issues Companies (Share Capital and Debentures) Amendment Rules, 2019.
[\[Here is notification\]](#)



Updates related to Listing/Market by SEBI

- ❖ SEBI empowers stock exchanges to impose fines on the listed entities Non-compliance with certain provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”).
[\[SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/94 dated 19.08.2019 here\]](#)



Updates related to Foreign Trade Policy by DGFT

- ❖ DGFT notified TRQ quota for import of 30,000 MT of crude soya oil from Paraguay under India- Mercosur Trade Agreement is notified.
[\[Here is public notice\]](#)



Updates related to Money Market/Banks by RBI

- ❖ Emerging Challenges to Financial Stability
(Speech of Shri Shaktikanta Das, Governor, Annual Global Banking Conference organised by IBA and FICCI, Mumbai)- [Read here for more](#)



Updates related to Latest developments in Economy & Finance world

- ❖ [Direct Tax Code 2.0: Task Force for Big Relief to Individual Taxpayers.](#)
- ❖ [Use artificial intelligence for tax compliance: Direct tax panel](#)
- ❖ [3 years on, just 6% resolution plans accepted under IBC, says report](#)
- ❖ [ED arrests kamal nath's nephew ratul puri in Rs 354-cr bank loan fraud case](#)
- ❖ [Direct Tax Committee Calls for Major Changes to Reassessment Rules](#)
- ❖ [Finance Minister says Corporate Tax for companies to be cut gradually](#)
- ❖ [Indian Markets may extend gains On Hopes of Tax Relief for Companies](#)
- ❖ [Axis Bank cuts MCLR Across All Tenors](#)

[Please give your valuable feedback on this newsletter [HERE](#)]

SAVE WATER || SAVE UNIVERSE

Knowledge shared= Knowledge²

About Scribbler

PRADEEP GOYAL

- ❖ **Fellow Member** of the Institute of Chartered Accountants of India.
- ❖ **Associate member** of Professional Accounting Body of Certified Practising Accountants (CPA), Australia.
- ❖ **CFA (Corporate Finance)**- Columbia Business School, USA | EMERITUS Institute of Management, Singapore.
- ❖ **Certified Goods & Service Tax Practitioner** from ICAI & Ministry of Micro, Small & Medium Enterprises, Government of India.



Connect



pradeep@pgaa.in



+91-9811777103



<http://www.pgaa.in>



Profile



Page



[Double click on icons to open]