

THE DAILY LIFELINE

Official Newsletter of Diucon



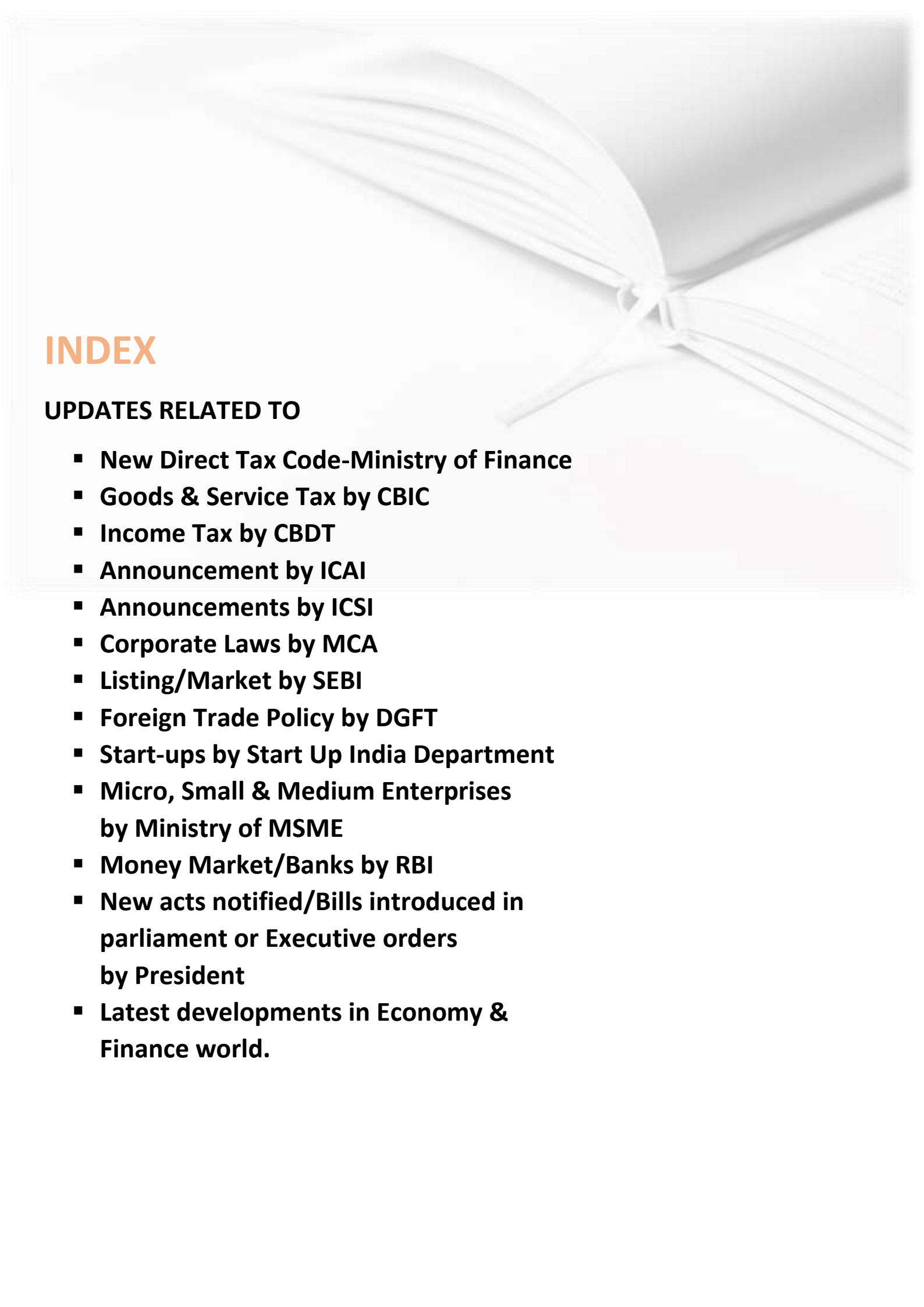
WHAT'S NEW IN PROFESSIONAL/ BUSINESS WORLD TODAY:

Goods & Service Tax
Direct Tax Code
Income Tax
Economy | Finance

BIGGEST CHALLENGE- HOW TO KEEP UPDATED ON DAILY BASIS

By Pradeep Goyal, FCA | ACPA, Australia

Laws are changing frequently in India, there are big developments and announcements on daily basis in Economic & Finance world and many other reforms are on the way. This newsletter will keep you updated on daily basis along with documents taken from authentic sources.



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UPDATES RELATED TO

- **New Direct Tax Code-Ministry of Finance**
- **Goods & Service Tax by CBIC**
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- **Latest developments in Economy & Finance world.**



Updates related to New Direct Tax Code-Ministry of Finance

❖ **Direct Tax Code: Panel suggests peak income tax rate of 20%, says Money control report**

The panel on Direct Tax Code (DTC) has suggested a cut in personal income tax rates with revised of 5 percent, 10 percent and 20 percent. [Read here for more](#)

❖ **Abolish DDT; LTCG, STT should stay; rework personal income tax rates: Direct Tax Code Panel to Government**

In what could come in as a big relief for capital market players, the task force recommended abolishing the dividend distribution tax while retaining the Long Term Capital Gains Tax and Securities Transaction Tax. The panel has also suggested reworking the personal income tax rates in a bid to make India a more tax compliant. [Read here for more](#)

❖ **Direct Taxes Code panel for status quo on LTCG tax, STT; wants DDT to go**

The task force to overhaul the nearly 60-year-old Income Tax Act has recommended retaining the long-term capital gains (LTCG) tax and the securities transaction tax (STT), while abolishing the dividend distribution tax (DDT). The panel has instead suggested imposing tax on the person receiving dividends, sources in the know said. [Business Standard Report](#)



Updates related to Goods & Service Tax by CBIC

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

❖ **Launching of Awareness of GST awareness Campaign by CBIC- Manthan Programme for GST**

CBIC Chairman directed all Zonal Principal Chief Commissioners/Chief Commissioners to launch GST awareness campaigns in their zones, for handholding and guidance of taxpayers with objective of explaining legal provisions and procedural changes, creating an informed eco-system of stakeholders so that they are in state of preparedness for below upcoming reforms and changes: -

- New Return system
- Single Cash ledger
- Single refund disbursing
- Enhanced threshold limit for goods
- Composition scheme for services

- E-Invoicing system
- GST Appellate Tribunals (GSTAT)

[[Read here](#) DG System and Data Management Office Instructions]

[[Visit here](#) GST Awareness Campaign Portal]

❖ **Circular issued on sanction of pending refunds due to mismatches between GSTR-1 & GSTR-3B for F.Y. 2018-19, non-issuance of IGST refund on exports when exporters Committed mistakes while filing GSTR-1 and GSTR-3B- New mechanism by CBIC**

- Exporters have inadvertently misdeclared IGST paid on export supplies as IGST paid on interstate domestic outward supplies while filing GSTR-3B.
- The exporters have also in certain cases short paid IGST as compare to their liability declared in GSTR-1.

As a result of these mismatches in the amount of IGST paid on export goods between GSTR-1 and GSTR-3B, the transmission of records from GSTN to Customs EDI system has not happened and consequently IGST refunds could not be processed. The problem is compounded by the fact that the facility to adjust GSTR-3B in subsequent months is not available in all cases.

To overcome the problem of refund blockage. CBIC came out with an interim solution vide Circular No. 12/2018-Customs dated 29th May, 2018 for the first 9 months after introduction of GST i.e. from 01.07.2017 to 31.03.2018.

This facility is now extended for the period from 01.04.2018 to 31st March 2019 by Circular No. 25/2019-Customs dated 27th August, 2019 wherein it is stated that CA certificate evidencing that there are no discrepancies between the amount refunded under this circular and the actual IGST amount paid on export of goods for the period April-2018 to March-2019 shall be furnished by 31st October 2019.

[[Circular No. 12/2018-Customs dated 29th May, 2018](#)]

[[Circular No. 25/2019-Customs dated 27th August, 2019](#)]

❖ **Rectification facility has been extended to match invoices with shipping bills filed by the Exporters up-to 31.07.2019**

CBIC extended date to rectify errors/mistakes in GSTR returns and Shipping Bills filed up-to 31.07.2019 [Earlier this facility was allowed for Shipping Bills filed up to 15.11.2018] for all cases covered under [Circular No. 40/2018 Customs dated 24.10.2018.](#)

[\[Circular No. 26/2019 Customs dated 27.08.2019\]](#)

- It is advised that the exporters shall have to take care to ensure the details of invoice, such as invoice number, IGST paid etc. under GSTR 1 and shipping bill match with each other since the same transaction is being reported under GST laws and Customs Act.
- ❖ Webinar on Filing Form GSTR-9 using Offline Utility in Malayalam will be held on August 28, 2019 at 2:30 PM by CBIC. [Register here](#)
- ❖ GST portal (<http://gst.gov.in>) will be under Disaster Recovery Drill on September 01, 2019 from Midnight 00:01 (AM) to Morning 05:00 AM. Hence the GST System services will NOT be available during this time. Please plan accordingly

▪ **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 468 Christy Fried Gram Industry, In re ORDER NO. 36/ARA/2019 JULY 26, 2019	Authority for Advance Rulings Of Tamilnadu	Advance Ruling	Manufacture and transportation of nutritious weaning food to children is composite supply, taxed @ 5% GST
2	[2019] 108 taxmann.com 462 Novel Engineering ORDER NO. 16/WBAAR/2019-20, AUGUST 19, 2019	Authority for Advance Rulings, West Bengal	Advance Ruling	Services of evacuation & disposal of settled ash for local authority is exempt from GST

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
3	[2019] 108 taxmann.com 464 ORDER NO. 33/ARA/2019 JULY 26, 2019	Authority for Advance Rulings, Tamilnadu	Advance Ruling	Product 'cattle feed in cake form' manufactured by applicant was classifiable under Chapter Heading 23099010 and stands exempted as per Sl. No. 102 of Notification No. 2/2017-Central Tax (Rate), dated 28-6-2017 as amended and Sl. No. 102 of Notification No. II(2)/CTR/532(d-5)/2017, dated 29-6-2017 as amended and in case of interstate supplies vide Sl. No. 102 of Notification No. 2/2017-Integrated tax (Rate), dated 28-6-2017 as amended
4	[2019] 108 taxmann.com 465 Rajiv Gandhi Centre for Aquaculture, APPEAL NO. AAAR/05/2019(AR) JULY 26, 2019	Appellate Authority for Advance Ruling, Tamilnadu	Advance Ruling appeal	AAAR upheld AAR's ruling that registration required for taxable & exempt supplies if turnover exceeds threshold limit

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
5	[2019] 108 taxmann.com 463 Macro Media Digital Imaging (P.) Ltd., In re ORDER NO. 15/WBAAR/2019-20 AUGUST 19, 2019	Authority for Advance Rulings, West Bengal	Advance Ruling	Where applicant, engaged in business of printing of trade advertisement material, prints content provided by recipient on base of polyvinyl chloride cloth, paper, etc., and provides printing ink and base material, applicant's supply is a composite contract, a transaction involving both services and transfer of property in goods, and two are inseparable in execution of contract. The goods supplied having no other use other than displaying printed matter, is ancillary to the principal supply of printing
6	[2019] 108 taxmann.com 466 Chennai Port Trust ORDER NO. 32/AAR/2019 JULY 25, 2019	Authority for Advance Rulings, Tamilnadu	Advance Ruling	No ITC on inward supplies for in-house hospital providing medical facilities to employees

Sr.No.	Key to find the document	Court/ARA/AAAR	Description	
			Ruling/Judgement	Summary
7	[2019] 108 taxmann.com 459 TP Roy Chowdhury & Co. (P.) Ltd., In re ORDER NO. 17/WBAAR/2019-20 CASE NO. 23 OF 2019 AUGUST 19, 2019	Authority for Advance Rulings, West Bengal	Advance Ruling	Loading or unloading services w.r.t. imported cargo of yellow peas at port of entry are taxable under GST

▪ News/Latest Developments/Other updates

- ❖ Technical glitches behind GST annual returns deadline extension. [Read here](#)
- ❖ GST Council to meet in Goa on September 20; no proposal to lower rates. [Read here for more](#)
- ❖ Auto LPG body asks govt to cut GST, offer level playing field to spur usage. [Read here for more](#)
- ❖ The Tamil Nadu Foodgrains Merchants Association has called for the extension of last date for filing of Goods and Services Tax (GST) returns till December 31. [Read here for more](#)
- ❖ More bicycle firms on GST radar for tax evasion, IT action too likely [Read here](#)
- ❖ Under GST, tax payers bleed, evaders thrive: Merchants. [Read here](#)
- ❖ July GST collections likely to fall below monthly average. [Read here](#)



Updates related to Income Tax by CBDT

▪ Notification/Circular/Press release/FAQs

❖ Clarifications in respect of filling-up of the ITR forms for the Assessment Year 2019-20

CBDT partially modified Circular No. 18 of 2019 dated 08.08.2019 to address the below concerns: -

- Dis closure of Directorship in foreign companies by non-residents. [In ITR Form-2 and ITR Form-3, in Part-A General, at column (h)]
- Disclosure by resident Indian, of having, as beneficial owner, beneficiary or otherwise, any asset (including financial interest in any entity) located outside India or having signing authority in any account located outside India or having income from any source outside India. [in ITR Form-2, ITR Form-3, ITR Form-5, ITR Form-6 and ITR Form-7, in Part-B-TTI]

[\[Download CBDT Circular 21/2019 dated 27th August 2019\]](#)

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

Sr.No.	Key to find the document	Description	
		Tribunal/Court	Brief judgement
1	[2019] 108 taxmann.com 118 (SC) Mathur Marketing (P.) Ltd. v. CIT SPECIAL LEAVE PETITION (CIVIL) DIARY NO. 6430/2019 JULY 2, 2019	Supreme Court of India	SLP dismissed against ruling that it was always open to Assessing Officer to scrutinize material supporting books of account or entries in books of account before accepting same for purpose of assessment, and, therefore, Assessing Officer was justified in accepting two entries relating to profits and disregarding other two entries concerning losses

▪ News/Latest Developments/Other updates

- ❖ Income tax department performing random raids despite having data storehouse. [Read here](#)
- ❖ How to pay income tax online or deposit challan at banks. [Live mint report](#)



Updates related to Announcement by ICAI

- ❖ 'ICAI Awards for Excellence in Financial Reporting' – Invitation to participate in the Competition for the year 2018-19. [\[Read here for more details\]](#)
- ❖ Register for First Exclusive Weekend Batch of Japanese Language (64 hours) for ICAI Members at Delhi from 1st September, 2019. [\[Detailed announcement here\]](#)
- ❖ In association with ICAI, CPA Australia is organising a series of information sessions. Join a session to find out how the CPA Program can further your career, and which pathway is eligible for you. [\[Click here for more details and registration\]](#)



Updates related to Announcement by ICSI

- ❖ ICSI issue List of members whose names stand removed from the Register of Members owing to non-receipt of annual membership fee of FY 2019-20 till 30th June, 2019. [\[Detail here\]](#)



Updates related to Start-ups by Start Up India Department

- ❖ Over 50+ Corporates, Govt Departments, Incubators, & Accelerators, are looking for Start-ups to award grants & pilot opportunities. [Click here to know more and apply](#)
- ❖ Just 3 days left to apply for the 'OPEN INNOVATION CHALLENGE' by Sterlite Technologies Limited in collaboration with AGNIi, a National Technology Commercialization Program of Govt. of India and Stand a chance to win INR 10 Lakh and work with Sterlite Technologies Ltd. [Apply here Now](#)

- ❖ Bengaluru-based food e-commerce Start-up, Freshtohome (Indian Food E-Commerce) raises USD 20 Million in Series B round. [Read here for more](#)
- ❖ Designed around ‘India 2025 - Inclusive, Future-ready, Intelligence-led’, the 10th edition of TechSparks - India’s most loved Start-up summit - will take place on October 11 and 12 in Bengaluru. [Read here for more](#)
- ❖ India’s 1st Start-up IPO opens, to alter young entrepreneurs’ world. [Read here](#)
- ❖ SoftBank in Talks to Invest in Indian Start-ups Lenskart, Dailymart. [Read here for more](#)



Updates related to Micro, Small & Medium Enterprises by Ministry of MSME

- ❖ **MSME Minister urges key stakeholders to come together to boost the Khadi sector.**

Government has taken up a mission-mode project of creating 5 crore jobs in 5 years in the MSME sector. Government has decided to take the proportion of MSME exports to 50% and to increase the GDP contribution of the MSME sector from 29% to 50% in the next 5 years.

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



Updates related to Money Market/Banks by RBI

- ❖ **Reserve Bank releases the report of the Expert Committee to Review the Extant Economic Capital Framework of the RBI**

The Reserve Bank of India, in consultation with the Government of India, had constituted an Expert Committee to Review the Extant Economic Capital Framework of the RBI under the chairmanship of Dr. Bimal Jalan. The Committee has since submitted its Report to the Governor.

[\[Read here full report\]](#)



Updates related to Latest developments in Economy & Finance world

- ❖ As animal spirits sag, FM's announcements may fall short of spurring growth
- ❖ Balance sheet must be strong, says bimal jalan committee report
- ❖ Direct taxes code panel for status quo on LTCG tax, STT; wants DDT to go
- ❖ booster dose: Govt's package for realty sector, exports likely this week
- ❖ cabinet may ease FDI norms in single-brand retail, insurance today
- ❖ From growth slowdown to equity outflows: why the rupee has lost its mojo
- ❖ Govt yet to decide how to use funds, says FM Nirmala Sitharaman

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Knowledge shared= Knowledge²

About Scribbler

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Profile



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