

Fringe Benefit Tax— Concept & Compliance

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The Hon'ble Finance Minister in the Finance Bill 2005 had proposed to levy tax in the hands of the employer in respect of the benefits being extended to the employees by such employer. The objective, as stated by the Finance Minister, is the difficulty in isolating the personal elements in respect of the benefits provided to the employees where there is a collective enjoyment of such benefits for purposes of business but includes partially the benefit of personal nature. After the introduction of the Bill many issues were raised by the trade, industry and chambers. After extensive consultations and deliberations the initial proposal put forward in the Finance Bill 2005 was modified. The salient features of the Fringe Benefit Tax after amendment and notification of the Finance Act, 2005 are as under:

A. Applicability

The Fringe Benefit Tax is a tax to be paid by an employer in addition to the income tax payable for every assessment year starting from the assessment year 2006-07. The tax is to be paid in respect of the fringe benefits provided or deemed to have been provided by an employer to his employees. The liability to pay Fringe Benefit Tax shall be there even when there is no liability

With the notification of the Finance Act, 2005, the Fringe Benefit Tax has become a law and every person falling within the definition of employer shall now be required to comply with the provisions relating to the Fringe Benefit Tax. This article provides an overview of the salient features of the Fringe Benefit Tax after amendment and notification of the Finance Act, 2005.

to pay income tax by an employer. Accordingly, all those who fall within the definition of employer shall be required to pay tax on the fringe benefits provided to the employees irrespective of the fact that income, which an employer is



earning, is exempt under the Income Tax Act or there is a loss. Accordingly, those entities which are claiming exemption under Section 10 such as mutual funds, undertakings in free trade zone claiming exemption under Section 10A, export-oriented units claiming exemption under Section 10B or under Section 10BA, shall be liable to pay the Fringe Benefit Tax. The Fringe Benefit Tax is a liability of the tax of the employees to be born by the employer. That is why even loss making entities and entities whose income is exempt shall also be required to pay Fringe Benefit Tax.

B. Meaning of 'Employer'

The liability to pay Fringe Benefit Tax is on the employer. For this purpose an employer shall mean a company, a firm, an association of persons or a body of individuals, a local authority and every artificial

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juridical person. Individuals and HUFs are not required to pay Fringe Benefit Tax meaning thereby that sole proprietorship concerns shall be out of this tax net. A further exemption has been provided to the trusts or institutions which are eligible for exemption under Section 10(23C) or which are registered under Section 12AA of the Act. The trusts and institutions will be exempt from Fringe Benefit Tax till they are eligible to claim exemption under Section 10(23C) is there or there is a valid registration under Section 12AA. However, in case this registration is cancelled or approval is withdrawn, then there will be a liability to pay Fringe Benefit Tax.

C. Meaning of 'Fringe Benefits'

The liability to pay tax under this new provision is on the value of fringe benefits. As such, the first important issue is, 'What is the meaning of fringe benefits?' As per the provisions of the Act, fringe benefit means any consideration for employment provided by way of any privilege, service, facility or amenity directly or indirectly provided by the employer whether by way of reimbursement or otherwise to his employees, including former

employees and includes any free or concessional ticket provided by the employer for private journey of his employees or their family members and also any contribution by the employer to an approved superannuation fund for his employees.

Further, as stated in the beginning, the purpose of levying Fringe Benefit Tax on the employer is the difficulty in isolating personal elements in respect of the benefits provided to the employees where there is a collective enjoyment of such benefits by the employees. A deeming provision has been introduced to provide for that in case the employer has incurred any expenditure or has made any payment in respect of certain purposes in the course of his business or profession and for any activity irrespective of whether such activity has been carried on with the object of deriving income or not, a certain percentage of such expenditure shall be deemed to be the fringe benefit extended to the employees by the employer. Thus, carrying on the business or profession is not essen-

tial. Even carrying on of an activity, irrespective of the fact that motive of such activity may not be to derive income, will attract liability to pay Fringe Benefit Tax. By this deeming provision a part of the expenditure, irrespective of the fact whether it has actually resulted in any benefit or amenity to

The Fringe Benefit Tax paid by employer shall not be an eligible expenditure while computing profit or gain of business or profession, despite the fact that the same has been paid on account of the liability of employees. A new sub-section 40(a)(ic) provides that this tax shall not be deducted while computing income.

the employees or not, shall be deemed to be the fringe benefit extended to the employees. Accordingly, one cannot claim that a particular expenditure has been incurred wholly and exclusively for the purposes of business and has not resulted into any benefit or amenity to the employee and should not be included in the fringe benefit.

This is a presumptive tax with a deeming fiction. First, a deeming fiction has been created that the expenditure incurred on the specified heads has an element of benefit to the employees, which is deemed to be a fringe benefit of the employee and then to quantify the element of personal nature. A presumption has been created that out of this a specified percentage of the expenditure is the value that is of personal benefit to the employees. The presumptive system has been adopted to avoid disputes on the issue as to which expenditure is for business purposes or which expenditure is for personal purposes and if it is of mixed nature, how much of that is for business or for personal purposes.

D. Valuation of Fringe Benefits

The various heads of expenditure and the value of each expenditure which shall be deemed to be the fringe benefits are as under



Clause of Section 115 WB(2)	Head of Expenditure	Percentage of the expenditure deemed to be fringe benefit
(A).	Entertainment	20%
(B).	Hospitality of every kind to any person	20%
(C).	Conference (other than fee for participation)	20%
(D).	Sales promotion, including publicity excluding advertisement	20%
(E).	Employees Welfare	20%
(F).	Conveyance, tour and travel, including foreign travel	20%
(G).	Use of Hotel, boarding and lodging	20%
(H).	Repair, running (including Fuel), maintenance of motorcars and depreciation thereon	20%
(I).	Repair, Running (including fuel), maintenance of aircraft and depreciation thereon	20%
(J).	Use of Telephone including mobile phone (other than leased lines)	20%
(K).	Maintenance of accommodation in the nature of guest houses (Other than for training purposes)	20%
(L).	Festival celebration	50%
(M).	Use of health club and similar facilities	50%
(N).	Use of any other club facilities	50%
(O).	Gifts	50%
(P).	Scholarship	50%
115WB(1)(b)	Any Free or Concessional ticket for private journeys	Actual
115WB(1)(c)	Contribution to Superannuation fund	Actual

Tax at a flat rate of 30 per cent is to be paid on the aggregate value of the fringe benefit calculated by applying the above percentages. Further, surcharge at the rate of 10 per cent and education cess at the rate of 2 per cent is to be added to the tax computed above. The applicability of the surcharge and education cess is all on employer irrespective of the total income of the employer. Thus, the effective fringe benefit tax rate is 33.66 per cent.

E. Exemptions

The percentage earmarked against each head of expenditure is the value which is to be included while computing the total amount of fringe benefits on which tax is to be paid. It is to be noted that some

exemptions have been provided in respect of certain expenditures, which shall not be deemed to be the fringe benefits liable for taxation.

- i. The first and the important exception is the expenditure on food or beverages provided by the employer to his employees in office or in factory or any expenditure incurred through paid vouchers which are not transferable and usable only at eating joints or outlets. As such, expenditure incurred on providing tea, coffee, food etc in office or factory is not to be included in the fringe benefits. This exception is with reference to the expenditure incurred on employees only and accordingly the expenditure incurred in office or factory on customers, visitors, etc. cannot

be excluded and shall be liable for Fringe Benefit Tax since under clause (B) provision of hospitality of every kind by the employer to any person is within the scope of fringe benefits. However, this concession of excluding expenditure incurred on employees runs contrary to the objective for levying Fringe Benefit Tax, as here one is required to pay tax in respect of the expenditure specifically incurred on persons other than employees. Further, there is no ceiling on the amount of the expenditure the employer can incur per day per employee nor the expenditure has been restricted to non-alcoholic beverages as was earlier restricted in the proviso to Rule 3(7)(iii) of Income Tax Rules, 1962.

It is to be further noted that as regards exemption of expenditure incurred through paid vouchers, no condition has been imposed that these paid vouchers are to be used by the employees only. The intention to provide this concession apparently is to extend the facility to the employees to eat food outside the office, in case, the office is not able to accommodate and provide facility of eating food within its premises. However, there is no such restriction in the wording of this clause. As per language of this clause, any expenditure incurred on or payment through paid voucher is to be excluded. Further, there is no ceiling on the amount of the expenditure which one can incur either per day or per employee as were provided in the proviso to Rule 3(7)(iii) of Rs.50 per meal. Presently, one may give a paid voucher of any amount even to a customer, but with a condition

- that such person himself uses the same at an eating joint or outlet.
- ii. In respect of expenditure incurred on conference, the fee for participation by the employees in the conference shall not be included in the fringe benefits. However, expenditure on conveyance, tour, travel on hotel incurred in connection with any conference shall be included in the value of the fringe benefits.
 - iii. Expenditure incurred on advertisement is not to be included in the value of fringe benefits. The type of the expenditure on advertisement which is not to be included has been specifically provided. Expenditure on advertisement in print media, electronic media, transport systems, holding of or participation in a press conference, business convention, fair or exhibition, publication of any notice, and by way of signs, artwork, painting, banner, direct mail, kiosk, hoardings shall be excluded from the value of the fringe benefit. However, expenditure on sponsorship of any sports event or any other event shall be excluded only when the event is organized by any government agency or trade association or body. This will mean that in case the event is organized by the employer himself, then the expenditure incurred on such event shall be included in the value of fringe benefits. Payment made to advertising agency for any of the purposes stated above shall also be out of the purview of the Fringe Benefit.
 - iv. Any expenditure incurred on payment made to fulfil any statutory obligation with regard to the employees shall not form part of the fringe benefits and, as such, is not to be included in the

amount of expenditure incurred on employees welfare. Thus, the contribution made by the employer to the Provident Fund, ESIC, etc. shall not be liable for Fringe Benefit Tax. It may be further noted that contribution to the approved superannuation fund is to be included in the value of fringe benefits and the valuation of the same shall be at 100 per cent of the value. The reason being that contribution to approved superannuation fund is not any statutory obligation. It is a voluntary payment made by the employer to the superannuation fund and the same is not liable for taxation in the hands of the employee and fully deductible expenditure in the hands of the employer. However, contribution to the approved gratuity fund shall not be liable for Fringe Benefit Tax as the same is a statutory obligation of the employer.

F. Employer Specific Concessions

In addition to the above general exemptions, certain employer-specific concessions have also been provided. In the case of an employer who is engaged in the business of hotel, the value of fringe benefits liable for tax in respect of provision of hospitality (clause B) shall be 5 per cent (as against the general rate of 20 per cent) of the total amount of expenditure incurred on hospitality. In the case of the employer who is engaged in the business of construction, the value of the fringe benefits in respect of the expenditure incurred on conveyance, tour and travel including foreign travel (clause F) shall be 5 per cent instead of 20 per cent. In the case of

employer engaged in the business of carriage of passengers or goods by motorcars, the value of the fringe benefits in respect of the expenditure incurred on repair, running and maintenance of motorcar, including depreciation (clause H) shall be 5 per cent instead of 20 per cent. In the case of an employer engaged in carriage of passenger or goods by aircraft, the value of fringe benefit in respect of expenditure on repair, running, maintenance including depreciation of aircraft shall be taken as nil instead of 20 per cent. Further, in the case of an employer engaged in the business of manufacture or production of pharmaceuticals, and computer software, the value of fringe benefits liable for tax in respect of expenditure incurred on conveyance, tour and travel including foreign travel (clause F) and use of hotel, boarding and lodging facility (clause G), shall be 5 per cent (as against the general rate of 20 per cent) of the expenditure incurred under these heads. Scope of 'computer software' has not been specified in this section. However, as per Explanation 2 to Section 10A and Explanation (b) to Section 80HHE, 'computer software' means any computer program recorded on any disk, tape, perforated media or other information storage device or any customised electronic data, or any product or service of similar nature as may be notified by the board. The board has notified the list of information technology enabled products vide notification no. SO 890(E) dated 26th of September 2000 which includes call centres, data processing, medical transcription, back office operations within the meaning of computer software. However, it may be noted that the meaning of the computer software stated above in

Explanation 2 is for the purposes of Section 10A only and in Explanation (b) is for the purposes of Section 80HHE only.

G. Need For Reclassification of Expenditure Heads

With the introduction of Fringe Benefit Tax from 1st April, 2005, there is a need to revise the expenditure heads so that the expenditure not liable for fringe benefit do not get merged with the expenditure liable for Fringe Benefit Tax. Some of the heads where this regrouping will be required are as under.

- i. Hospitality provided to the employees by way of food and beverage in office or factory or by way of paid vouchers need to be debited under a separate head other than the employee welfare / staff welfare expenditure.
- ii. Expenditure on repair, running and maintenance of motor car and depreciation thereon need to be classified separately from the expenditure incurred on repair, running of vehicles other than motor cars such as scooter, bus, truck, etc.
- iii. Expenditure on conference fee for participation of employees needs to be classified separately in view of exemption in clause (C).
- iv. Expenditure, which is taxable as perquisite in the hands of employees, is not liable for Fringe Benefit Tax. As such all such expenditure need to be debited under the head 'Salary'

or 'Establishment Expense', so that the same does not get clubbed with the other expenditure which is liable for Fringe Benefit Tax.

Expenditure on maintenance of guesthouse being used for training purposes need to be classified separately from the expenditure incurred on maintenance of guesthouse as such.

H. Fringe Benefit Tax is not a deductible expenditure

The fringe benefit tax paid by the employer shall not be an eligible expenditure while computing profit or gain of business or profession, despite the fact, that the same has been paid on account of the liability of the employees. A new sub-section 40(a)(ic) has been inserted to provide that the Fringe Benefit Tax shall not be deducted while computing income. The reason for this is that this tax despite being an obligation of the employee is borne by the employer and still it is not added as fringe benefit while computing the liability of the Fringe Benefit Tax. Thus, the tax is not being compounded of. In the alternative option, the tax could have been compounded of and full deduction of the tax would have been allowed while computing business income. Under both the alternatives, the total tax liability is same for a tax paying entity. However, in the alternative option, the liability of the tax-exempt and loss-making entities would have been much higher. Further, tax

auditor shall be required to specify the amount of fringe benefit tax debited in the profit and loss account under clause 16(f) of Form 3CD of the tax audit report from assessment year 2006-07 onwards.

Compliance of Fringe Benefit Provisions

◆ Payment of tax in advance:

The Fringe Benefit Tax is applicable from financial year beginning on 1st April 2005, i.e., assessment year 2006-07. For complying with the fringe benefit provisions, every employer shall be required to compute the value of the fringe benefits, every quarter. It is to be noted that there is a liability to pay Fringe Benefit Tax by way of advance tax every quarter, not on the basis of yearly estimate, but on the basis of the actual value of fringe benefits computed every quarter. Further, there is no threshold limit for the liability to pay Fringe Benefit Tax in advance every quarter as is the case under Section 208 of the Act in the case of regular income tax is to be paid only when the same is Rs. 5000 or more. This may cause genuine hardship to those entities, which will be required to pay small or nominal amount of Fringe Benefit Tax and will also cause administrative problem to the collecting bank as well as tax administration. In view of this requirement to pay advance tax on actual basis, every employer shall be required to compute the actual

A new clause (d) is being added to Section 271(1) for levying penalty in case there is a concealment of the particulars of fringe benefit or inaccurate particulars are furnished. The penalty for late filing of FBT return shall be Rs. 100 per day for each day of default starting from the due date of return as against penalty of Rs. 5000 leviable for late filing of return of regular income.

amount of the fringe benefit liable for tax. The immediate requirement will be to compute the same for the first quarter starting from 1st April 2005 to 30th June 2005 of the current year and pay the tax thereon at the rate of 33.66 per cent (inclusive of surcharge and education cess) by 15th July 2005. Similar liability is to be computed and paid for the subsequent quarters by 15th October and 15th January. However, for the quarter ending on 31st March, the fringe benefit tax is to be paid even before the end of the quarter, i.e., by 15th March.

In case of failure to pay the tax for any quarter, or where the tax paid is less, then there shall be a liability to pay interest at the rate of 1 per cent on the amount of the short-fall for every month or part of the month till the short-fall continues. The liability to pay interest under the Fringe Benefit Tax is on monthly basis and shall continue till the date it is actually paid. The provision of interest liability in case of default or delay in payment of fringe benefit tax in advance are on the line of section 234B and 234C of the act with exception that these two have been merged by providing that interest is to be paid from the date of the default till actual payment. (There is no breaking of the period up to 31st March and the period thereafter). Further, in case of default in any quarter, interest is to be computed on monthly basis as against quarterly basis under Section 234C of the Act.

The liability to pay interest in case of shortfall of tax is on actual amount of the tax payable

without any concession on account of estimation as is the case under Section 234B and Section 234C of the Act where interest is payable only when the advance tax paid is less than 90 per cent of the actual tax liability. This may cause practical difficulties particularly for the last quarter where the tax is to be deposited by 15th March, i.e., 16 days even before the quarter ends. Further, in the case of entities such as banks having a large number of branches, it may practically be difficult to compile information of all the branches within a period of 15 days from the end of the quarter and that too after making the provision of the expenditure incurred on accrual basis.

- ◆ **Filing of Return:** Every employer who has provided the fringe benefits, as explained above, to his employees is required to file return of fringe benefits irrespective of the fact whether such employer is required to file the return of his own income under Section 139 of the Act or not. The due date of filing the return shall be 31st October for a company and a person whose accounts are required to be audited. In other cases, the due date shall be 31st July every year. It has been further provided that where return is not filed the Assessing Officer shall have the right to ask the employer to file the return. Further, an employer can file a revised return in case he discovers any omission or wrong statement in the return already filed.

Every employer who has provided the fringe benefits to his employees is required to file return of fringe benefits irrespective of whether such employer is required to file return of his own income under Section 139 of the Act or not. The due date of filing return shall be 31st October for a company and a person whose accounts are required to be audited.

In case of delay in filing the return, interest at the rate of 1 per cent for each month of default is to be paid on the amount of fringe benefit tax as reduced by the advance tax paid. The first return shall be for assessment year 2006-07 and shall fall due either on 31st July, 2006 or 31st October, 2006 as the case maybe. The return form has not been notified yet. The return though legally required to be an independent return, the same may be in the form of a declaration with certificate from tax auditor, giving computation of the value of the fringe benefit under each head of the expenditure liable for fringe benefit tax. Considering the requirement of paying advance tax on actual amount of fringe benefit, the information required in the return form and certification thereof will be required to be given on quarterly basis.

- ◆ **Assessment:** The procedure of the assessment including the best judgement assessment and reassessment shall be the same as is applicable in the case of the regular assessment of the income. These provisions are

exactly on the lines of Section 143, 144, 147 and 148 of the Act including refund of the excess tax paid. Despite the return being a separate return, it appears that there will be no separate scrutiny of FBT returns. The Finance Minister in the Parliament at the time of the passage of the Finance Bill 2005, has stated:

“What we are doing is eliminating the entire discretion. What we are asking him is to file a tax audit certificate saying according to his auditor these are the expenditure under the various heads. If the tax audit certifies these are heads, the officer has no discretion. The Income Tax Officer has to accept that audit certificate unless it turns out to be a patently false certificate. We will accept that certificate of the auditor”.

- ◆ **Penalty for concealment:** A new clause (d) is being added to Section 271(1) for levying penalty, in case there is a concealment of the particulars of the fringe benefit or inaccurate particulars are furnished about such fringe benefit. The penalty is on the same line as is for concealment of income and the minimum penalty shall not be less than the amount of the tax sought to be evaded and maximum penalty can be three times of the amount sought to be evaded.
- ◆ **Penalty for late filing of return:** The penalty provisions for late filing of FBT return are more stringent as compared to late filing of return of regular income. The penalty for late filing of FBT return shall be Rs. 100 per day for each day of

default starting from the due date of return as against penalty of Rs. 5000 leviable for late filing of return of regular income and that too when return is not filed before the end of the assessment year.

Perquisite versus Fringe Benefit

With the shifting of the tax liability on employer from employees in respect of certain fringe benefits, these fringe benefits that were hitherto taxable in the hands of the employees as perquisites, will no longer be taxable in the hands of the employees. For this, Rules for valuation of perquisites have been amended vide notification no. 68/2005 dated 28th February, 2005, whereby Rule 2 relating to valuation of motor car perquisite, Rule 3(6) relating to free or concessional journey given to transport employees, Rule 3(7)(ii) to 3(7)(vi) relating to value of travelling, free meals, gift, credit cards, club facility and Rule 3(8) relating to valuation of any other benefit and exempting expenses on telephones having withdrawn. Further, clause (vi) of Section 17(2) has been amended to provide that only those fringe benefit and amenity shall be included in the perquisite of the employees, which are not chargeable to tax under fringe benefit tax. The meaning of this will be that those benefit or amenity, on which tax is payable by the employer as fringe benefit tax, will not be included in the income of the employees. Similarly, sub section (3) of Section 115WB has been inserted in the chapter on the Fringe Benefit Tax to provide that

privilege, service, facility or amenity does not include perquisite in respect of which tax is paid or payable by the employee. Thus, any perquisite given to the employee is to be included in the income of the employee in view of the provisions of the Section 17(2), the same is not liable for any fringe benefit tax. Thus, there exists mutual exclusion between the two. What is taxable in the hands of employee cannot be taxed as fringe benefits in the hands of the employer in view of Section 115WB(3) and what is taxable as fringe benefit in the hands of employer cannot be taxed in the hands of employees in view of amended clause (vi) of Section

In case of failure to pay the tax for any quarter, or where the tax paid is less, there shall be a liability to pay interest at the rate of 1% on the amount of the shortfall for every month or part of the month till short-fall continues. Liability to pay interest under the Fringe Benefit Tax is on monthly basis and shall continue till the date it is actually paid.

17(2) of the Act. Thus, there is no scope of double taxation.

House rent allowance, rent free accommodation, transport allowance, leave travel concession, perquisite on account of reimbursement of medical expenses (in view of proviso to Section 17(2)), interest-free or concessional loan, supply of gas, electric energy or water for household consumption, use of mobile assets and transfer of movable assets shall not be liable for Fringe Benefit Tax and shall be considered as perquisite in the hands of the employee only of course after considering exemption

in respect of such perquisite, if, any available under the Act. However, facility or amenity extended to the employees by way of motor car, free meal, gift, credit card, club facility, telephone is not to be included in the hands of the employees as perquisites as these are now to be taxed as fringe benefits in the hands of the employer. The new Fringe Benefit Tax in a way has given an additional increment to the employees as their liability to pay tax in case they are enjoying facility or amenity by way of motor car, etc, will get reduced by the amount of tax which would otherwise have been payable every month by way of deduction of tax at source.

Business Expenditure versus Fringe Benefit

An important issue after levy of Fringe Benefit Tax is the disallowance of the expenditure incurred under Section 37(1) on account of personal use in view of the fact that the provision of Sec 37(1) has not been amended to provide any exclusion. As per provision of Section 37(1), expenditure incurred wholly and exclusively for the purposes of business or profession not being in the nature of capital expenditure or personal

expenses is allowable. Thus, expenditure incurred by any employer, which is of personal nature, will not be allowable expenditure even after payment of

With the introduction of Fringe Benefit Tax, the expenditure heads need to be revised so that the expenditure not liable for fringe benefit do not get merged with expenditure liable for this Tax. For example, hospitality provided to employees by way of food and beverage in office or factory or by way of paid vouchers need to be debited under a separate head other than the employee welfare/staff welfare expenditure.

Fringe Benefit Tax. It may be clarified that expenditure incurred on employees, i.e., where the relationship is that of employer-employee, is not considered to be personal in nature as any payment or expenditure incurred on employee is in consideration of services provided by the employee and as such is for business purposes. Thus, there can-

not be any disallowance under Section 37(1) in respect of expenditure incurred on the employee.

However, where there is no employer-employee relationship, such as expenditure incurred on partners or non-employee directors, if the expenditure incurred is of personal nature and not for business purposes, the same will not be eligible for deduction under Section 37(1) of the Act and consequently, there will not be any liability to pay fringe benefit tax on such expenditure as the expenditure has not been incurred in the course of business or profession. However, where the expenditure incurred for partners or non-employee directors is relatable to business and there may be some element of personal nature in such expenditure, such as use of motor cars, etc, the same need not be disallowed now as the same is liable for fringe benefit tax by capturing the personal element of such expenditure as otherwise it may lead to double taxation.

Fringe Benefit Tax is a new law. As is the case with any new law, many issues will arise on its interpretation and application. One can only hope that all such issues get sorted out and clarified at the earliest. ■

INVITATION FOR CONTRIBUTING ARTICLES FOR COMING ISSUES

We have decided to bring out the July 2005 issue of *The Chartered Accountant* as special issue on the theme '**Accountancy Profession in Global Perspective**' to mark the 56th Chartered Accountants Day (July 1, 2005). The professionals are invited to contribute articles on the theme from both national and international angles.

The articles should not exceed 4,000 words each. Every article should have an Executive Summary of about 100/150 words, author's e-mail ID, postal address and contact numbers along with a passport size photograph.

Theme for other future issues are:

August – Service Tax

September – SMPs and SMEs

The articles for the July 2005 special issue should reach us by **June 9, 2005** while the write-ups for August 2005 issue should reach us by July 9, 2005.

The articles can be sent to us by e-mail at nadeem@icai.org / ebsecretariat@icai.org or by post (two manuscripts along with a soft copy of article, e-mail Id and passport size photograph) to -

The Editor, The Chartered Accountant, Journal Section, ICAI, PO Box 7100, New Delhi - 110002

The contributors may go through the 'Guidelines for Authors of The Chartered Accountant Journal' hosted on the website of the Institute at the link <http://www.icai.org/announ/guidelinesauthors.html> for reference.