Finance Bill-2023 amend

Sec-43B
New clause-(h)

Benefit of Proviso of section 43 B will not be allowed- (In this case, if payment is made before filing the return of income, expenditure allowed- but here no benefit)

Purpose-Timely payment to MSME

"Section 43B (h): Any sum payable by the assessee to a MICRO or SMALL enterprise beyond the time limit specified in Section 15 of the MSME Act, 2006."
Medium enterprise specifically excludes
Means purchase/service received from any party having medium status will not attract this Section.

Segment	Investment	Annual Turnover
Micro	Upto 1 Cr	Upto 5 Cr
Small	Upto 1 Cr to 10 Cr	Upto 5 Cr to 50 Cr
Medium	Upto 10 Cr to 50 Cr	Upto 50 Cr to 250 Cr

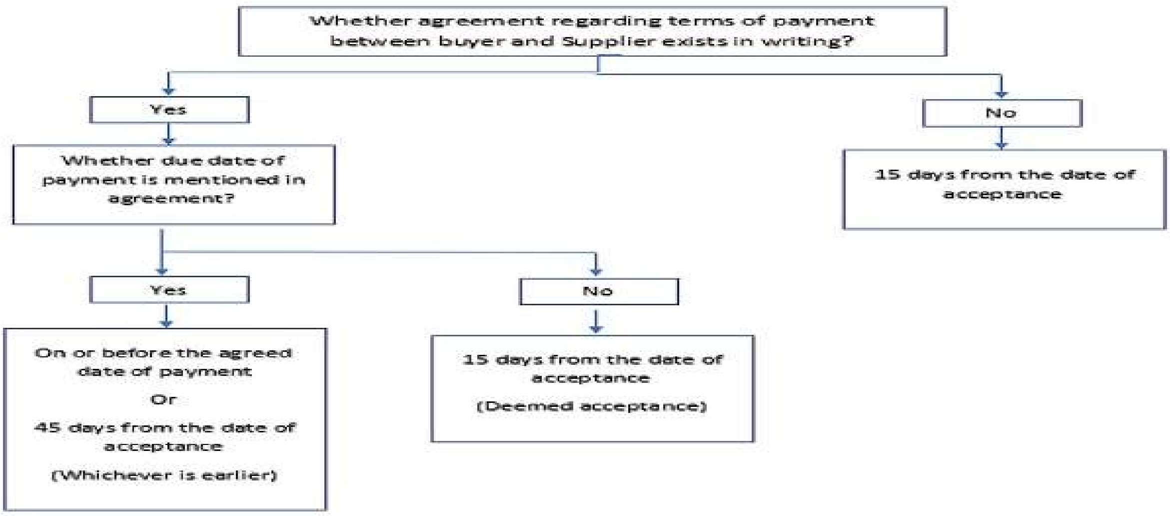
Day of acceptance

The day of actually delivery of goods
where any objection made within 15 days from the delivery of goods, the day when objection removed

where No objection made within 15 days from the delivery of goods, the day of actually delivery goods

Appointment day
Appointed day" means the day following immediately after the expiry of the period of fifteen days from the day of acceptance or the day of deemed acceptance of any goods or any services by a buyer from a supplier

Section 15 of MSME Act



In a nutshell,
If agreement specifies 20 days, then payment is to be made within 20 days of Invoice.
If agreement specifies 60 days, then payment is to be made within 45 days of Invoice.
If no agreement than within 15 days of invoice.

Since it is the liability of the assesse to identify their supplier's status,
therefore, written declaration from all suppliers of goods or services as to their status of registration under the MSMED Act should be sought. If they claim their status as 'registered', also obtain a copy of their registration certificate from which their category as "micro", "small" or "medium" may be established.

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