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INCOME TAX

CUSTOMS

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EDITORIAL

Friends,

In GST, 1% TCS has been specied for collection by every electronic commerce operator **for inter-state taxable supplies and half percent for intra-state taxable supplies**.

Further, guidelines have been issue for Deductions and Deposits of TDS by the DDO under GST. The same has been discussed in brief below:

- Section 51 of the CGST Act 2017 provides for deduction of tax by the Government Agencies or any other person to be notified in this regard, from the payment made or credited to the supplier where the total value of supply, under a contract, exceeds Rs 2,50,000.

- The tax shall be paid to the Government through NEFT to RBI or a cheque to be deposited in one of the authorized banks, using challan on the common portal, by 10th of next month alongwith a return in FORM GSTR-7. Further,a TDS certificate has to be issued by the deductor.

- All the DDOs in the Government, who are performing the role as deductor have to register with the common portal and get the GST Identification Number (GSTIN).

- The subject section was notified with effect from 1st October, 2018, vide Notification No. 50/2018 – Central Tax dated 13th September, 2018.

- **Two options can be followed for payment of TDS:**
  - Option I: Generation of challan for every payment made during the month
  - Option II: Bunching of TDS deducted from the bills on weekly, monthly or any periodic manner

For detailed process flow of the above two options, please refer **Circular No. 65/39/2018-DOR dated 14.09.2018.**

Also, Government has extended due date for FORM GST TRAN-1 till 31st January, 2019, for those who could not submit the said same by the due date on account of technical difficulties on the common portal and whose cases have been recommended by the Council.

In Income Tax, M/S Indian Council Of Medical Research has been specified U/S 35(1)(II).
Further, various Boards, Societies, Comissions And Trusts have been specified U/S 10(46)

Please refer to the bulletin further for details.

We do hope that this bulletin adds value to your professional sphere.
Just to reiterate that we remain available over telecom or e-mail.

Truly Yours

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SYNOPSIS

TAX CALENDAR

No Important Due Dates are falling in this week

GST: CGST/IGST/SGST/UTGST

NOTIFICATIONS/CIRCULARS

1% RATE OF TAX FOR COLLECTION AT SOURCE (TCS) TO BE COLLECTED BY EVERY ELECTRONIC COMMERCE OPERATOR FOR INTER-STATE TAXABLE SUPPLIES

OUR COMMENTS: The Department of Revenue, Ministry of Finance, Government of India vide **Notification No. 02/2018 – Integrated Tax dated 20th Sep** has notified that every electronic commerce operator (not being an agent) shall collect 1% of the net value of inter-State taxable supplies made through it by other suppliers where consideration with respect to such supplies is to be collected by the said operator.

EXPLANATION FOR EXEMPTION ON SUPPLY OF SPECIFIED SERVICES UNDER IGST ACT

OUR COMMENTS: The Department of Revenue, Ministry of Finance, Government of India **Notification No. 24/2018-Integrated Tax (Rate) dated 20th Sep,** 2018 has inserted an explanation for exemption under Notification No. 9/2017-Integrated Tax (Rate) dated 28th June 2017 in S.No. 43 that for the purpose of the exemption, the Central Government, State Government or Union territory shall have 50 per cent. or more ownership in the entity directly or through an entity which is wholly owned by the Central Government, State Government or Union territory.".

Please refer the notification for details.

HALF PERCENT RATE OF TAX FOR COLLECTION AT SOURCE (TCS) TO BE COLLECTED BY EVERY ELECTRONIC COMMERCE OPERATOR FOR INTRA-STATE TAXABLE SUPPLIES

OUR COMMENTS: The Department of Revenue, Ministry of Finance, Government of India vide **Notification No. 52/2018 – Central Tax dated 20th Sep** has notified that every electronic commerce operator (not being an agent) shall collect half percent of the net value of intra-State taxable supplies made through it by other suppliers where consideration with respect to such supplies is to be collected by the said operator.

EXPLANATION FOR EXEMPTION ON SUPPLY OF SPECIFIED SERVICES UNDER CGST ACT

OUR COMMENTS: The Department of Revenue, Ministry of Finance, Government of India **Notification No. 23/2018- Central Tax (Rate) dated 20th Sep,** 2018 has inserted an explanation for exemption under Notification No. 12/2017-Central Tax (Rate) dated 28th June 2017 in S.No. 41 that for the purpose of the exemption, the Central Government, State Government or Union territory shall have 50 per cent. or more ownership in the entity directly or through an entity which is wholly owned by the Central Government, State Government or Union territory.".

Please refer the notification for details.

EXPLANATION FOR EXEMPTION ON SUPPLY OF SPECIFIED SERVICES UNDER UTGST ACT

OUR COMMENTS: The Department of Revenue, Ministry of Finance, Government of India **Notification No. 23/2018-Union Territory Tax (Rate) dated 20th Sep,** 2018 has inserted an explanation for exemption under Notification No. 12/2017-Union Territory Tax (Rate) dated 28th June 2017 in S.No. 41 that for the purpose of the exemption, the Central Government, State Government or Union territory shall have 50 per cent. or more ownership in the entity directly or through an entity which is wholly owned by the Central Government, State Government or Union territory.".

Please refer the notification for details.

INCOME TAX

NOTIFICATIONS/CIRCULARS

M/S INDIAN COUNCIL OF MEDICAL RESEARCH SPECIFIED U/S 35(1)(II)

OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 54/2018 dated 18.09.2018** has notified M/s Indian Council of Medical Research (PAN:- AAEAT4818Q) for the purpose of section 35(1)(ii) from Assessment year 2019-2020 and onwards under the category of "Other Institution" engaged in research activities subject to the specified conditions.

Please refer the notification for details.

VARIOUS BOARDS, SOCIETIES, COMISSIONS AND TRUSTS SPECIFIED U/S 10(46)

OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide the following notifications have specified various Boards, Societies, Commissions and Trusts for the purpose of section 10(46) subject to specified conditions:

No. 44/2018 - Dated: 14-9-2018

Uttar Pradesh Electricity Regulatory Commission', Lucknow, a commission constituted under the Uttar Pradesh Electricity Reforms Act, 1999

No. 45/2018 - Dated: 14-9-2018

Petroleum and Natural Gas Regulatory Board', New Delhi, a Board constituted by the Government of India

No. 46/2018 - Dated: 14-9-2018

Rajasthan State Dental Council', Jaipur, a body constituted by the Government of Rajasthan

No. 47/2018 - Dated: 14-9-2018

Kandla Special Economic Zone Authority', Kutch, an authority constituted by the Central Government

No. 48/2018 - Dated: 14-9-2018

Gujarat Water Supply and Sewerage Board', Gandhinagar, a Board constituted by Government of Gujarat

No. 49/2018 - Dated: 14-9-2018

Tripura Electricity Regulatory Commission', a commission constituted by the State Government of Tripura

No. 50/2018 - Dated: 14-9-2018

West Bengal State Council of Science & Technology', Kolkata, a society constituted by the Government of West Bengal

No. 51/2018 - Dated: 14-9-2018

Jharkhand State Electricity Regulatory Commission', Ranchi, a commission constituted by the State government of Jharkhand

No. 52/2018 - Dated: 14-9-2018

Tamil Nadu Water Supply and Drainage Board', a board constituted under the Tamil Nadu Water Supply and Drainage Board Act, 1970

No. 53/2018 - Dated: 14-9-2018

State Load Despatch Centre Unscheduled Interchange Fund- West Bengal State Electricity Transmission Company Limited (PAN AAIAS0980J), a trust constituted under the Electricity Act, 2003

Please refer the notifications for details.

CUSTOMS

NOTIFICATIONS/CIRCULARS

REVISION OF EXCHANGE RATE OF FOREIGN CURRENCIES INTO RUPEE & VICE VERSA

OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 81/2018-Customs (N.T.) dated 20.09.2018 & in supersession of Notification No. 77/2018-Customs (N.T.) dated 06.09.2018** has **revised the exchange rate of foreign currencies** specified in col.(2) of each of **Schedule I** and **Schedule II** annexed hereto, into Indian currency or vice versa, w.e.f. **21.09.2018** to be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

SCHEDULE-I

Sl. No	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Australian Dollar	53.95	51.60
2.	Bahrain Dinar	199.35	187.05
3.	Canadian Dollar	57.20	55.25
4.	Chinese Yuan	10.80	10.45
5.	Danish Kroner	11.60	11.20
6.	EURO	86.55	83.45
7.	Hong Kong Dollar	9.45	9.10
8.	Kuwait Dinar	248.30	232.60
9.	New Zealand Dollar	49.35	47.10
10.	Norwegian Kroner	9.10	8.75
11.	Pound Sterling	97.40	94.05
12.	Qatari Riyal	20.65	19.35
13.	South Arabian Riyal	20.05	18.80
14.	Singapore Dollar	54.05	52.25
15.	South African Rand	5.05	4.75
16.	Swedish Kroner	8.30	8.00
17.	Swiss Franc	76.90	73.95
18.	UAE Dirham	20.45	19.20
19.	US Dollar	73.65	71.95

SCHEDULE-II

Sl. No	Foreign Currency	Rate of exchange of 100 units of foreign currency equv. to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	66.00	63.60

AMENDMENT TO CUSTOMS EXEMPTION NOTIFICATIONS NO. 24/2015-CUSTOMS DATED 08.04.2015

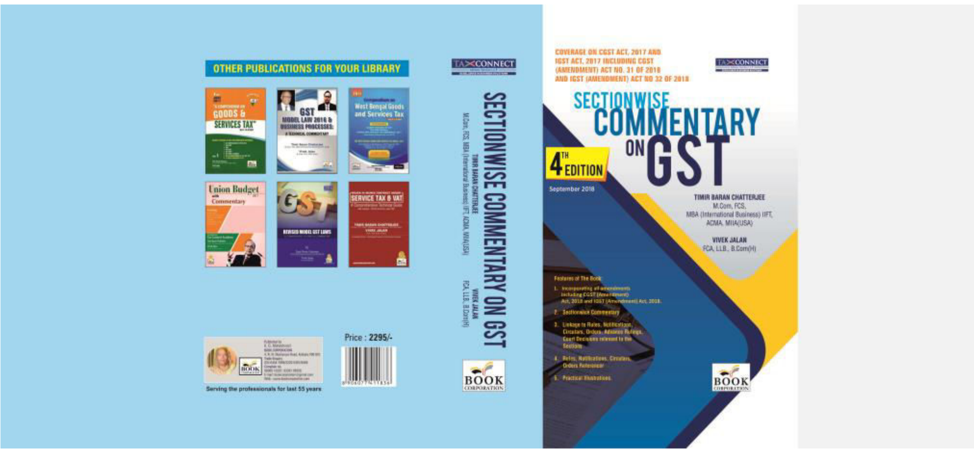
OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 63/2018-Customs dated 18.09.2018** has amended Customs Exemption Notifications No. 24/2015-Customs dated 08.04.2015 to align it with amendment in Foreign Trade Policy. Please refer the notification for details.

AMENDMENT IN NOTIFICATION. NO. 50/2017-CUSTOMS, DATED THE 30TH JUNE, 2017

OUR COMMENTS: The Dept. of Revenue, Ministry of Finance, Government of India vide **Notification No. 62/2018-Customs dated 17.09.2018** has amended third proviso to the Notification. No. 50/2017-Customs, dated the 30th June, 2017 and has delayed implementation of the retaliatory duties till 2nd Nov 2018. Please refer the notification for details.

IN STANDS

SECTION WISE COMMENTARY ON GST UPDATED TILL DATE



ABOUT THE BOOK: This book provides an insight into the following:

1. Incorporating all amendments
2. Section wise commentary
3. Linkages to Rules, Notifications, Circulars, Orders, Advance Rulings, Court Decisions relevant to the Sections
4. Rules, Notifications, Circulars, Orders Referencer
5. Practical Illustrations

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