4 Equalisation Levy

Particular	6% Eq. Levy introduced by FA 2016 (Sec 165)	2% Eq. Levy introduced by FA 2020 (Sec 165A)
Who will pay levy ?	Service Receiver	Non-resident E-Commerce Operator
Services provided by	Non resident not having PE in India	Non-resident E-Commerce Operator.
Services provided to	1. a Resident who carries out business or profession 2. Non resident having PE in India. *(Covers only B2B transactions)*	1. Person resident in India 2. A person who buys such goods or services using Internet Protocol ('IP') address located in India; or 3. A NR from sale of advertisement which targets customer - Who is resident in India or - Who accesses the advertisement through internet protocol address located in India 4. A NR from sale of data collected from a person - Who is resident in India or - Who uses internet protocol address located in India. *(Covers both B2B and B2C transactions)*
Specified Services	1. Online advertisement, 2. Digital advertising space, 3. Any other notified services by CG.	'E-commerce supply of goods or services' means 1. Online sale of goods by ECO 2. Online provision of services by ECO (e.g. e-gaming, online hotel or travel package or ticket booking, etc.) 3. ECO facilitating online sale of goods or online provision of services
Non Applicability	1. NR having PE in India & service is effectively connected with said PE; 2. Consideration does not exceed Rs. 1 lakh; 3. Payer is using specified service for personal purposes.	1. Non-resident ECO having a PE in India through which sale of goods / provision of services is made. 2. Sales of ECO less than 2 crores during the PY 3. If covered by 6% Equalisation Levy (Sec 165)
Time limit for deposit	Monthly – By 7th of next month (Eg. April Month --> 7th May)	Quarterly – by 7th of Next Month (Except Q4) Q1 --> 7th July Q2 --> 7th Oct Q3 --> 7th Jan Q4 --> **31st March**
Fails to deduct levy	1. 100% disallowance of expenditure u/s 40(a)(ib) 2. Pay Interest 1% pm or part of the month 3. Pay a penalty equivalent to the amount of Equalisation Levy	
Fails to pay to govt. (Within due date)	1. 100% disallowance of expenditure u/s 40(a)(ib) 2. Pay Interest 1% pm or part of the month 3. Penalty 1000 p/day, however such penalty shall not exceeds the amount of eq. levy	Non resident will pay : 1. Interest 1% pm or part of the month 2. Pay penalty equivalent to the amount of Equalisation Levy
Sec 10(50)	Such Income is exempt in the hands of Non-resident.	Such Income is exempt in the hands of Non-resident.

Furnishing of Statement (Return Filing)	Every assessee has to file return in FORM NO. 1 on / before 30th June of immediately following financial year. • Penalty for late filing of Return : If assessee fails to file return up to 30th June or within 30 days from the date of service ' of Notice by AO then penalty of Rs. 100 per day during which failure continue.