

January 2025

NEWSLETTER TAX

- Income Tax
- Goods and Services Tax



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<u>Income Tax</u>	
1. Exemption from tax deduction (TDS) under section 194Q to units of International Financial Service Centre (IFSC)	
<div>CBDT</div> <div>Notification No. 03/2025 dated 02.01.2025</div>	
<p>Section 194Q of the Income Tax Act, 1961 states that tax is to be deducted at source at the rate of 0.1% from payment made to a seller by the buyer who has purchased goods worth more than Rs 50 lakhs in a financial year.</p> <p>Now, vide this notification, CBIC has provided exemption from TDS under section 194Q if the seller of the goods are the units of IFSC.</p> <p>Notification No.03</p>	
2. Exemption from tax collection (TCS) under section 206C(1H) to units of International Financial Service Centre (IFSC)	
<div>CBDT</div> <div>Notification No. 06/2024 dated 06.01.2025</div>	
<p>Section 206C(1H) of the Income Tax Act, 1961 pertains to collection of tax at source (TCS) by sellers on sales of goods worth more than Rs. 50 lakhs to a buyer in a financial year.</p> <p>Now, vide this notification, CBIC has provided exemption from TCS under section 194Q if the buyer of the goods are the units of IFSC.</p> <p>Notification No.06</p>	
3. Amendment in the Direct Tax Vivaad se Vishwas Scheme, 2024	
<div>CBDT</div> <div>Notification No. 08/2024 dated 20.01.2025</div>	
<p>Vide this Order, CBDT has addressed situations giving rise to difficulty in the implementation of the Direct Tax Vivad Se Vishwas Scheme, 2024.</p> <p>This Order will provide relief to a large number of left out taxpayers who could not otherwise apply for this scheme due to certain specified situations.</p> <p>Situations which prevented a taxpayer from applying for Vivad Se Vishwas Scheme- As per the notification, while implementing the scheme, difficulties have arisen in the following situations:</p> <ul style="list-style-type: none"> ➤ An order in case of a person had been passed on or before the specified date i.e. the 22nd day of July, 2024 ➤ The time for filing an appeal in respect of such order was available as on the said date ➤ Appeal in respect of such order was filed after the said date within the stipulated time as applicable for filing of such appeal; and ➤ Aforesaid appeal is filed without any application for condonation of delay <p>Now, the Scheme has been amended to clarify that appeals filed after the specified date of July 22, 2024, but within the stipulated time, without any delay condonation application, will be considered as eligible for settlement under the Direct Tax Vivad Se Vishwas Scheme, 2024. Disputed tax will be calculated based on such appeal and provisions of the Scheme and rules framed thereunder shall apply accordingly.</p> <p>Notification No.8</p>	

<u>Goods and Service Tax</u>	
1. Temporary Identification Number (TIN) for Non-GST Registered persons	
<div> <div>CBIC</div> <div>Notification No. 07/2025 dated 23.01.2025</div> </div> <p>Vide this notification, CBIC has specified rules for obtaining TIN by persons who are required to make GST payment but are not required to be registered under the GST Act.</p> <p>This step will streamline the compliance process for entities and individuals who fall outside the ambit of mandatory GST registration but occasionally engage in taxable activities.</p> <p>The GST officer will grant TIN by way of order in Revised FORM GST REG-12.</p> <p>This notification is effective from 23rd Jan, 2025.</p> <p>Notification No. 07</p>	
2. Waiver of late fees in Filing Form GSTR-9C (Financial Years 2017-18 to 2022-23)	
<div> <div>CBIC</div> <div>Notification No. 08/2025 dated 23.01.2025</div> </div> <p>Vide this notification, CBIC has waived off late fees of taxpayers for delayed filing of the reconciliation statement FORM GSTR-9C annual returns for financial years 2017-18 to 2022-23.</p> <p>Late fee waiver will be applicable only for Taxpayers:</p> <ul style="list-style-type: none"> - who were required to file FORM GSTR-9C along with the annual return in FORM GSTR-9 for the respective financial year/s - who failed to furnish the said FORM GSTR-9C along with the annual return (FORM GSTR-9) - who subsequently file it before the deadline (31st March 2025). <p>Additionally, no refund will be provided for any late fees already paid for the delayed furnishing of GSTR-9C for these financial years</p> <p>This is positive step towards easing the compliance burden on taxpayers and promoting voluntary compliance.</p> <p>Notification No.8</p>	
3. Clarification on the applicability of late fee for delay in furnishing Form GSTR-9C.	
<div> <div>CBIC</div> <div>Circular No. 246/03/2025 dated 23.01.2025</div> </div> <p>Representations have been received by CBIC seeking clarification where reconciliation statement in Form GSTR-9C is not furnished by the registered person along with the annual return in Form GSTR-9 but is filed subsequently beyond the due date of furnishing of annual return <i>i.e. Form GSTR-9</i>.</p> <p>Detailed clarification is as under:</p> <ul style="list-style-type: none"> ➤ Late fee is applicable on delayed filing of Annual Return (Form GSTR-9) along with Reconciliation statement (GSTR-9C). Late fee will not be applied separately for Form GSTR-9 & GSTR-9C. 	

- In cases where Reconciliation statement (GSTR-9C) is not required to be furnished, late fee is applied on delayed filing of Form GSTR-9 only.
- **Delay in furnishing for late fee will be calculated as under:**
 - Where Form GSTR-9C is not required to be furnished- From the due date of furnishing of Form GSTR-9 till the date of furnishing of Form GSTR-9
 - In cases where Form GSTR-9C is required to be furnished along with Form GSTR-9:
 - From the due date of furnishing of Form GSTR-9 till the date of furnishing of Form GSTR-9, if Form GSTR-9C is furnished along with FORM GSTR-9; or
 - From the due date of furnishing of Form GSTR-9 till the date of furnishing of Form GSTR-9C, if FORM GSTR-9C is furnished subsequent to furnishing of Form GSTR-9.

[Circular No.246/03](#)

Disclaimer:

This is not a complete listing of all circulars/notifications issued during the month.
Instead, it is only a listing of some of the circulars/notifications that we considered important



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