

May 2022

NEWSLETTER

TAX

- Income Tax
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Income Tax

1. Updated Return of Income- FORM ITR-U.

CBDT

Notification No. 48/2022 dated 29.04.2022

Vide this notification, CBDT has prescribed Income Tax Return (ITR) Form ITR-U for filing updated Income tax return.

- Section 139(8A) introduced by Union Budget 2022 prescribed the concept of Updated ITR.
- Taxpayers can furnish updated ITR within 24 months from the end of relevant Assessment year.
- Updated ITR can be filed only if it results in an increased tax liability.
- Updated ITR cannot be filled in case if search and survey is ordered on taxpayer as per the provisions of the Income Tax Act.
- Taxpayers can file updated ITR for FY 2019-20 and onwards.

[Notification No.48](#)

2. Amendment in Rule 44E- Application for obtaining advance ruling.

CBDT

Notification No. 49/2022 dated 05.05.2022

Vide this notification, CBDT has substituted new Advance ruling forms in place of old forms: -

- To provide prompt advance ruling to the taxpayers, Finance Act 2021 had inserted a new Section 245-OB to empower the Central Government to constitute one or more Board for Advance Rulings
- Subsequently, CBDT notified E- advance ruling scheme and constituted Board for Advance ruling.
- Pending Advance ruling applications under old structure were transferred to Board for Advance ruling.
- To facilitate above changes, Rule 44E is amended which prescribes new advance ruling forms in place of old forms.
- The amendment further provides for digital signing of the advance ruling application by various categories of the applicants, i.e., individual, HUF, firm, companies etc.

[Notification No.49](#)

3. Income-Tax (Fourteenth Amendment) Rules, 2022.

CBDT

Notification No. 51/2022 dated 09.05.2022

Vide this notification, CBDT has amended certain particulars of the Income Tax forms. Following Income tax forms are amended:

Form No. 3CF	Application Form for approval under clause (ii) of sub-section (1) of section 35 of the Income-tax Act in the case of a Scientific Research Association.
Form No.10A	Application for registration of charitable or religious trust or institution under clause (aa) or clause (ab) of sub-section (1) of section 12A of Act.
Form No.10AB	Application for renewal of registration or approval of Provisional registration under section 10(23C), 80G and 12AB of the Income Tax Act.
Form No. 10BD	Statement of Donation received by Charitable Institutions.
Form No. 10BE	Certificate of Donation given to donors by Charitable Institutions.

[Notification No.51](#)

4. Income-Tax (Fifteenth Amendment) Rules, 2022.

CBDT

Notification No. 53/2022 dated 10.05.2022

Vide this notification, CBDT has introduced Rule 114BA and 114BB. These sections deal with mandatory quoting Permanent Account Number (PAN) or Aadhar for certain transactions.

- Section 139A of the Act prescribes certain transactions wherein it is mandatory for a person to obtain a Permanent Account Number (PAN). It also lists down the situations where quoting PAN is mandatory.
- Rule 114 BA prescribed new list of transactions that require taxpayer to apply for PAN if taxpayer does not have PAN and if it mandatory to quote the same for these specified transactions.
 - cash deposit or deposits aggregating to twenty lakh rupees or more in a financial year, in one or more account of a person with a banking company or a post office.
 - cash withdrawals or withdrawals aggregating to twenty lakh rupees or more in a financial year, in one or more account of a person with a banking company or a post office.
 - opening a current account or cash credit account by a person with a banking company or a post Office.
- Provisions of Rule 114BA are applicable with effect from 25-05-2022
- Further as per new Rule 114BB, if a person has entered into any of the above-notified transactions then it shall be mandatory for him to quote PAN or Aadhaar number in the documents pertaining to such transactions.
- Every person who receives such document shall ensure that the PAN or Aadhaar number has been duly quoted and authenticated.
- Provisions of Rule 114BB are applicable with effect from 09-07-2022.
- Any person who intends to appear in any of the above “Rule 114BA” notified transactions, shall be required to make an application for allotment of PAN at least 7 days before the date on which he intends to undertake any of the notified transactions.

[Notification No.53](#)

5. Circular regarding use of functionality under section 206AB and 206CCA of the Income-tax Act.

CBDT

Circular No. 10/2022 dated 17.05.2022

Vide this notification, CBDT has modified functionality under section 206AB and 206CCA of the Act on the income tax portal due to amendment in section 206AB and 206CCA by Finance Act 2022. These sections mandated the deduction or collection of tax at a higher rate in the case of non-filing of return of income by specified persons.

- Finance Act, 2021, has inserted two new Sections 206AB and 206CCA, with effect from 01-07-2021. These sections provide for deduction or collection of tax at a higher rate in the case of non-filing of return of income by specified persons, If aggregate of tax deducted or collected at source is rupees fifty thousand or more in each of these two previous year.
- Central Board of Direct Taxes (CBDT) vide Circular no. 11/2021, dated 21-06-2021, had issued a new functionality ‘Compliance Check for Sections 206AB & 206CCA’ to ease the compliance burden on tax deductor or collector.
- Tax deductors and collectors can go to the functionality on the income tax portal and by inserting PAN of the individual can check whether tax is required to be deducted or collected at higher rate as per

section 206AB and 206CCA.

- Finance Act 2022 has introduced the following changes in the Section 206AB and 206CCA:
 - Provisions of these sections shall not apply to tax to be deducted under sections 194-IA, 194-IB, and 194M.
 - A person shall be treated as a specified person if he has not filed return of last 1 year instead of the earlier 2 years.
- Accordingly, CBDT has amended the logic of the functionality 'Compliance Check for Sections 206AB & 206CCA'. The new logic for the Financial Year 2022-23 is as under:
 - A list of specified persons is prepared at the start of the financial year 2022-23 taking the previous year 2020-21 as the relevant previous year.
 - This list contains names of taxpayers who did not file return of income for AY 2021-22 and have an aggregate of TDS and TCS of Rs. 50,000 or more in the PY 2020-21. During the financial year 2022-23, no new will be added names to the list of specified persons.
 - If any specified person files a valid return of income (filed & verified) for the assessment years 2021-22 and 2022-23 during the financial year 2022-23, his name would be removed from the list of specified persons.
 - If the aggregate of TDS and TCS in case of a specified person, in the previous year 2021-22 is less than Rs. 50,000, his name would be removed from the list of specified persons. This would be done on the first due date under section 139(1) falling in the financial year 2022-23, i.e., 31st July 2022.

[Circular No.10](#)

6. Faceless Penalty (Amendment) Scheme, 2022.

CBDT
Notification No. 54/2022 dated 27.05.2022

CBDT vide this notification has issued the Faceless Penalty (Amendment) Scheme, 2022 to amend the Faceless Penalty Scheme, 2021 in the following manner:

- Where a request for personal hearing under the scheme has been received, the Income-Tax authority of the relevant unit shall allow such hearing to the taxpayer.
- Earlier granting such hearing was at the discretion of senior officials of CBDT.
- Hearing to be held exclusively through video conferencing or video telephony, including use of any telecommunication application software which supports video conferencing or video telephony.
- Scheme now completely omits mechanism and functionality of *Regional Faceless Penalty Centers* as the penalty unit under the Scheme and replace it with *National Facility Penalty Centre*.

[Notification No.54](#)

Goods and Services tax

1. Extension of due date of filing FORM GSTR3B & GST PMT 06 for April 2022.

CBIC

Notification No. 5 & 6/2022 dated 17.05.2022

CBIC vide Notification No. 05/2022 and 06/2022 extended the due date for filing of **Form GSTR-3B** (monthly return) and **GST PMT 06** (monthly challan deposit form for taxpayers filing return on quarterly basis) for April 2022 as following:

Form	Due date	Extended due date
GSTR-3B	20 th May	24 th May
PMT 06	25 th May	27 th May

[Notification No.5](#) & [Notification No.6](#)

2. Waiver of penalty of late filing of FORM GSTR-4.

CBIC

Notification No. 7/2022 dated 26.05.2022

Vide this notification, CBIC has waived the late fees for delayed filing of **GSTR-4** for F.Y. 2021-22 (Annual return for composition scheme dealers) if it is filed till **June 30th, 2022**.

Due date of filing of Form GSTR-4 was **April 30th, 2022**.

[Notification No.7](#)

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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