

FEBRUARY 2023

NEWSLETTER

TAX

- Income Tax
- Goods and Services Tax



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Income Tax**1. CBDT Notifies Centralized Processing of Equalization Levy Statement Scheme 2023.**

CBDT

Notification No. 03/2023 dated 07.02.2023

Vide this notification, CBDT has notified the Centralized Processing of Equalization Levy Statement Scheme, 2023. This Scheme is applicable in respect of processing of Equalization Levy Statements.

Equalization Levy is a Tax withheld at the time of making Payment of consideration to Non Resident Advertising companies, e commerce operators towards various services and sale of products.

The scheme provides that the Centralized Processing Centre (CPC) shall process a valid Equalization Levy Statement in the following manner:

- Equalization levy shall be computed after adjusting for any arithmetical error in the Equalisation Levy Statement.
- Interest (if any) shall be computed based on the sum deductible or payable as computed in the Equalisation Levy Statement.
- The sum payable by, or the amount of refund due to, the assessee shall be determined after adjustment of the amount computed under sections 166(2)(b), 166A, 170, and any amount paid otherwise by way of tax or interest.
- No intimation shall be sent, after the expiry of one year from the end of financial year in which the Equalisation Levy Statement or revised Equalisation Levy Statement is furnished.
- If a revised Equalisation Levy Statement is furnished, CPC shall process only the revised Equalisation Levy Statement and no further action shall be taken on the original Equalisation Levy Statement.

Scheme also provides that no assessee shall be required to appear personally or through an authorized representative before CPC in connection with any proceedings. Written or electronic communication in the format specified by CPC shall be sufficient compliance with the query or clarification received from CPC.

[Notification No.03/2023](#)**2. Changes in Income Tax Forms for F.Y. 2022-23**

CBDT

Notification No.04/2023 dated 10.02.2023

Vide this notification, CBDT has amended ITR forms for F.Y. 2023-23. Following changes are inserted in the Income Tax Return (ITR) forms:

ITR Type	Amendments
ITR 1	➤ No amendments
ITR 2, 3,4,5,6 & 7	<ul style="list-style-type: none">➤ New schedule for reporting Income from Virtual Digital Assets (VDA) under the head Capital Gains has been added which requires taxpayers to report the date of acquisition, date of transfer as well as cost of acquisition and the proceeds received on sale of VDAs. Income from VDA is to be reported quarterly in the ITR form.➤ Additional questions (as below) have been added related to selection of New Tax Regime:<ul style="list-style-type: none">• Whether the taxpayers have opted for the new regime in the last assessment year, and also select the assessment year in which it was opted.• Whether the taxpayers has opted out of New Regime in any of the previous year.➤ The income from trading in securities has to be bifurcated into intra-day trading and delivery-based trading.

[Notification No.04/2023](#)

3. Income Tax (3rd Amendment) Rules, 2023

CBDT

Notification No. 07/2023 dated 24.02.2023

Vide this Notification, CBDT has amended Tax Audit forms i.e. *Form 10B and Form 10BB* filed by universities, Medical Institutions, educational Institutions and other Trust and Institutions for FY. 2022-23.

As per Rule 16CC & Rule 17B of the Income Tax:

- Form 10B is to be filed where
 - total income of universities, Medical Institutions, educational Institutions and other Trust and Institutions, without giving effect to the provisions of sections 10, 11 and 12 of the Income Tax Act, exceeds rupees five crores during the previous year or
 - such universities, Medical Institutions, educational Institutions and other Trust and Institutions, has received any foreign contribution during the previous year or
 - such universities, Medical Institutions, educational Institutions and other Trust and Institutions, has applied any part of its income outside India during the previous year
- Form 10BB is to be filed in other cases.

[Notification No. 07/2023](#)

<u>GST</u>
No notification/circulars released by CBIC in Feb'23

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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