

JUNE 2021

NEWSLETTER

TAX

- Income Tax
- Goods and Services Tax



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INCOME TAX

1. Income-tax (17th Amendment) Rules, 2021

CBDT

Notification No. 71/2021 dated 8.06.2021

CBDT has amended **Rule 31A** of the Income-tax Rules, 1962 dealing with furnishing of statement of TDS. The following amendments have been made: -

1) Substituted clause (x) of the Rule 31A

(x) Furnish particulars of amount paid or credited on which tax was not deducted or deducted at lower rate in view of the notification issued under sub-section (5) of **section 194A ((TDS on Interest other than interest on securities))** or in view of exemption provided under clause (x) of sub-section (3) of **section 194A**

2) Inserted the following clauses after clause (xiii) of the Rule 31A: -

(xiv) Furnish particulars of amount paid or credited on which tax was not deducted in view of clause (d) of the second proviso to **section 194 (TDS on dividend from equity shares)** or in view of the notification issued under clause (e) of the second proviso to section 194.

(xv) Furnish particulars of amount paid or credited on which tax was not deducted in view of proviso to sub-section (1A) or in view of sub-section (2) of **section 196D (TDS on Income of foreign institutional investors from securities)**.

(xvi) Furnish particulars of amount paid or credited on which tax was not deducted in view of sub-section (5) of **section 194Q** with effect from **1st July, 2021. (TDS on purchase of Goods)**.

3) CBDT has also introduced changes in Form 26A, Form 26Q, Form 27Q & Form 27EQ to provide for reporting of additional information.

[Notification No.71](#)

2. Cost Inflation Index-2022

CBDT

Notification No. 73/2021 dated 15.06.2021

CBDT has specified the Cost Inflation Index for **FY 2021-22** as "**317**".

[Notification No.73](#)

3. Compliance Check Functionality for Section 206AB & 206CCA of Income-tax Act 1961

CBDT

Notification No. 01/2021 dated 22.06.2021

CBDT has notified the **compliance check functionality** for **Section 206AB** and **Section 206CCA** of Income Tax Act, 1961.

Section 206AB and 206CCA inserted effective from July 01, 2021 imposed higher **TDS/TCS** rate on "**Specified Persons**". For the purposes of this section 'specified person' means: -

- Person who has not filed their Income Tax Returns for financial years, **2018-19 & 2019-20**.
- The total aggregate of TDS & TCS credited is more than **Rs. 50,000** in each financial years, 2018-19 & 2019-20.

Provided that the specified person shall not include a non-resident, who does not have a permanent establishment in India.

CBDT has further specified procedure for sharing of information with tax deductors/collectors:

- a) **Registration:** Tax Deductors and Collectors can register on the Reporting Portal by logging in to e-filing portal (<http://www.incometax.gov.in/>) using e-filing login credential of TAN and clicking on the link "Reporting Portal" which is available under "Pending Actions" Tab of the e-filing Portal.
- b) **Accessing the Compliance Check functionality:** Principal Officers of the entities (Tax Deductors & Collectors) which are registered with the Reporting Portal through TAN shall be able to use the functionality after login into the Reporting Portal using their credentials. After successfully logging in, link to the functionality "Compliance Check for Section 206AB & 206CCA" will appear on the home page of the Reporting Portal.
- c) **Using "PAN Search" mode:** Under the "Compliance Check for Section 206AB & 206CCA" page, "PAN Search" tab may be selected to access the functionality in PAN Search mode. In this mode single valid PAN along with captcha can be entered at a time and output will be available with following fields: -
- Financial Year
 - PAN
 - Name
 - PAN Allotment Date
 - PAN-Aadhaar Link Status
 - Specified Person u/s 206AB & 206CCA
- d) **Using "Bulk Search" mode:** Under the "Compliance Check for Section 206AB & 206CCA" functionality page, "Bulk Search" tab may be selected to access the functionality in Bulk Search mode. This mode involves following steps:
1. Preparing request (Input) file containing PANs
 2. Uploading the input CSV file
 3. Downloading the output CSV file

[Notification No.1](#)

4. Extension of time limits for compliance or completion of certain actions under Section 3(1)(a) or (b) of the Taxation and Other Laws Act 2020

CBDT
Notification No. 74/2021 dated 25.06.2021

CBDT has extended the time limit for compliance or completion of certain actions under Section 3(1)(a) or (b) of the Taxation and Other Laws Act 2020 as under: -

- Following are the extended due dates of completion of any action referred to in **Section 3(1)(a)** which relates to completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action.

Particulars	Due date	Extended Due Date
Time limit for completion of assessment, reassessment and re-computation under section 153	30 th June 2021	30 th September 2021
Time limit for completion of assessment under Section 153A i.e. assessment of search cases	30 th June 2021	30 th September 2021
Time Limit for sending an intimation under section 168(1) i.e. processing of statement	30 th June 2021	30 th September 2021
Time limit for passing of any order for imposition of penalty under Chapter XXI expiring on or before 29th September	30 th June 2021	30 th September 2021

2021

- CBDT further extended time limit for intimation of **Aadhar number** to prescribed authority from 30th June 2021 to **30th September 2021** for completion of any action referred to in **Section 3(1)(b)** which relates to filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record.

[Notification No.74](#)

5. Extension of due date for making payment under Vivad se Vishwas

CBDT

Notification No. 75/2021 dated 25.06.2021

CBDT has notified the following changes in dates earlier notified under the VSV Act 2020: -

1. Due date for making payment without any interest extended from **30th June 2021** to **31st August 2021**.
2. Last date of making payment notified as **31st October 2021**.

[Notification No.75](#)

6. Extension of time limits of certain compliances to provide relief to taxpayers in view of the severe pandemic

CBDT

Circular No. 12 /2021 dated 25.06.2021

CBDT has provided relaxation in respect of the following compliances: -

Particulars	Provisions/Rule	Existing due date	Extension of due date Vide Circular No. 9/2020	Further Extended Due Date Vide this circular
Objections to Dispute Resolution Panel (DRP) and Assessing Officer	Section 144C	1 st June 2021 or thereafter	-	31.08.2021 or the time provided in the sec whichever is later
Statement of Deduction of Tax for the last quarter of the Financial Year 2020-21	Rule 31A	31.05.2021	30.06.21	15.07.2021
Certificate of Tax Deducted at Source in Form No.16	Rule 31	15.06.2021	15.07.21	31.07.2021
Statement of Income paid or credited by an investment fund to its unit holder in Form No. 64D for the Previous Year 2020-21	Rule 12CB	15.06.2021	30.06.21	15.07.2021
Statement of Income paid or credited by an investment fund to its unit holder in Form No. 64C for the Previous Year 2020-21	Rule 12CB	30.06.2021	15.07.21	31.07.2021
Application in Form No. 10A/ Form No.10AB, for registration/ provisional registration/ intimation/ approval/ provisional approval of Trusts/ Institutions/ Research Associations etc.,	Section 10 (23C), 12AB, 35 (1) (ii) / (ia) / (iii) and 80G	30.06.2021	-	31.08.2021
Compliances to be made by the				

taxpayers such as investment, deposit, payment, acquisition, purchase, construction or such other action, by whatever name called, for the purpose of claiming any exemption	Section 54 to 54GB	Between 01.04.2021 to 29.09.2021	-	30.09.2021
Quarterly Statement in Form No. 15CC to be furnished by authorized dealer in respect of remittances made for the quarter ending on 30th June, 2021	Rule 37 BB	15.07.2021	-	31.07.2021
Equalization Levy Statement in Form No. 1 for the Financial Year 2020-21	Form No.1	30.06.2021	-	31.07.2021
Annual Statement required to be furnished by the eligible investment fund in Form No. 3CEK for the Financial Year 2020-21	Section 9A (5)	29.06.2021	-	31.07.2021
Uploading of the declarations received from recipients in Form No. 15G/15H during the quarter ending 30th June, 2021	Form No. 15G/15H	15.07.2021	-	31.08.2021
Exercising of option to withdraw pending application (filed before the erstwhile Income Tax Settlement Commission) in Form No. 34BB	Section 245M (1)	27.06.2021	-	31.07.2021
Circular No.12				

GOODS AND SERVICES TAX

1. Relaxation in furnishing GSTR 3B & GSTR1

CBIC Notification No.
18, 19 & 20/2021 of Central Tax – dated 01.06.2021

In view of COVID-19 Pandemic, CBIC has provided relaxation in furnishing GSTR 3B with respect to waiver/lowering of late fee and interest rate. Relaxations are as under:

Turnover	Rate of Interest	Tax Period	Waiver of Late fees
Taxpayers having an aggregate turnover of more than rupees 5 crores in the Previous FY	First 15 Days from Due date – 9% On and from 16 th Day – 18%	March'21, April'21 & May'21	No late fees if return is filed within 15 days from the due date of furnishing return
Taxpayers having an aggregate turnover upto rupees 5 crores in the Previous FY (Monthly Filers)	First 15 Days from Due date – NIL Next 45 days – 9% 18% thereafter	March'21	No late fees if return is filed within 60 days from the due date of furnishing return
	First 15 Days from Due date – NIL Next 30 days – 9% 18% thereafter	April'21	No late fees if return is filed within 45 days from the due date of furnishing return
	First 15 Days from Due date – NIL Next 15 days – 9% 18% thereafter	May'21	No late fees if return is filed within 30 days from the due date of furnishing return
Taxpayers having an aggregate turnover upto rupees 5 crores in the Previous FY (Quarterly Return – QRMP)	First 15 Days from Due date – NIL Next 45 days – 9% 18% thereafter	March'21	60 days from the due date of furnishing return for the period quarter ending March'21
	First 15 Days from Due date – NIL Next 30 days – 9% 18% thereafter	April'21	
	First 15 Days from Due date – NIL Next 15 days – 9% 18% thereafter	May'21	
Composite Tax payers	First 15 Days from Due date – NIL Next 45 days – 9% 18% thereafter	Quarter ending March 2021	-

- CBIC has notified waiver of late fee specified under section 47 (Levy of Late Fee) for **GSTR 3B** for the period **July 2017 to April 2021**: (Notification No.19)

Class of Tax payers	Amount of waiver of Late fee	Period in which return to be filed
Registered person whose tax payable is NIL	In Excess of Rs.250/- each CGST and SGST per return i.e., in excess of Rs.500/-	From 01-06-2021 to 31-08-2021
In other case	In excess of Rs.500/- each CGST and SGST per return	From 01-06-2021 to 31-

i.e., in excess of Rs.1000/-

08-2021

- CBIC has further notified maximum amount of late fee to be levied for below mentioned registered person, on account of delay in furnishing return in **FORM GSTR 1** or **GSTR 3B** from the tax period **June 2021 (month) or quarter ending June 2021 onwards**: (Notification No.19 & Notification 20)

Class of taxpayer	Maximum Amount of Late fee
Registered person whose tax payable is NIL	Rs.250/- each CGST and SGST per return i.e., Rs.500/- per return
Registered person having an aggregate turnover of up to Rs.1.5 cr in the preceding FY	Rs.1000/- each CGST and SGST per return i.e., Rs.2000/- per return
Registered person having an aggregate turnover of more than Rs.1.5 cr to Rs.5 Cr in the preceding FY	Rs.2500/- each CGST and SGST per return i.e., Rs.5000/- per return

[Notification No.18](#) (Rate of Interest), [Notification No.19](#) (Waiver & rationalize of late fee - GSTR-3B) & [Notification No.20](#) (Rationalize of late fee GSTR-1)

2. Waiver of late fee for delay in filing of return in FORM GSTR-4 & FORM GSTR-7

CBIC Notification No.
21 & 22/2021 of Central Tax – dated 01.06.2021

CBIC has notified maximum amount of late fee to be levied for below mentioned registered person, on account of delay in furnishing return in **FORM GSTR-04** or **FORM GSTR-07** by due date:

FORM	Class of tax payer	Period	Maximum amount of late fee
GSTR-4	Registered person whose tax payable is NIL	Financial year 2021-22	Rs.250/- each CGST and SGST per return i.e., Rs.500/- per return
GSTR-4	Other cases	Financial year 2021-22	Rs.1000/- each CGST and SGST per return i.e., Rs.2000/- per return
GSTR-7	Registered person who fails to furnish GSTR 7	June'2021 onwards	Rs.1000/- each CGST and SGST per return i.e., Rs.2000/- per return

[Notification No.21](#) (GSTR 4) & [Notification No.22](#) (GSTR 7)

3. Exclusion of government departments and local authorities from the requirement of issuance of e-invoice

CBIC Notification No.
23/2021 of Central Tax – dated 01.06.2021

Vide this notification, CBIC has notified that **Government departments** and **local authorities** are excluded from E-Invoicing provisions.

[Notification No.23](#)

4. Extension of Time limit for Issuance of notice, filing of appeal, furnishing of returns, completion of proceedings, etc.

CBIC Notification No.
24/2021 of Central Tax – dated 01.06.2021

CBIC has notified relaxation in time limit for various compliances under GST Law. Relaxations are as under:

Compliances (Time limits)	Due Date	Revised Date
Completion of Proceeding or passing of order or issuance of notice, intimation, Filing of Appeal & Reply	15 th April, 2021 to 29 th June, 2021	30 th June, 21
Time limit for verification of registration application by the authorities	1 st May, 2021 to 30 th June, 2021	15 th July, 21

[Notification No.24](#)

5. Extension of due date of furnishing FORM GSTR-4, GST ITC 04 & GSTR-1

CBIC Notification No.
17, 25 & 26 /2021 of Central Tax – dated 1.06.2021

CBIC has extended the due date of furnishing **FORM GSTR-4, GST ITC 04 & GSTR-1**.

Extended due dates are as under: -

Notification No	Return/ Form Type	Period	Due Date	Extended Due Date
25	Form GSTR – 4 (Composition Dealer)	FY 2020-21	31 st May 2021	31 st July 2021
26	Form GST ITC – 04 (Job Work)	1 st January 2021 to 31 st March 2021	31 st May 2021	30 th June 2021
17	GSTR 1	June 2021	11 th June 2021	26 th June 2021

[Notification No.25](#) (GSTR-4) , [Notification No.26](#) (GST ITC-04) & [Notification No.17](#)(GSTR 1)

6. CGST (Fifth Amendment) Rules, 2021

CBIC Notification No.
27 /2021 of Central Tax – dated 1.06.2021

CBIC has notified (Fifth Amendment) Rules, 2021. Following are key changes:

- Any registered person during the period from **April 27, 2021**, to **August 31, 2021**, will be allowed to furnish the return in Form **GSTR-3B** and details of outward supplies in Form **GSTR-1** or using invoice furnishing facility, verified through **electronic verification code (EVC)**.
- Rule 36(4)** dealing with ITC to be availed by registered person shall apply cumulatively for the period April, May & June 2021 and the return in **FORM GSTR-3B** for the tax period June, 2021 or quarter ending June, 2021 shall be furnished with the cumulative adjustment of input tax credit for the said months.
- CBIC has also extended the Due date for filing IFF for **May 2021** upto **28th June 2021**. (**Earlier date - 28th May 2021**)

[Notification No.27](#)

7. Clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices

CBIC Circular No.
156 /2021 of Central Tax – dated 1.06.2021

CBIC has issued the following clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices: -

- Invoice issued to Unique Identification Number (UIN) holder shall be considered as B2C invoice and shall be required to comply with the requirement of Dynamic QR Code.

- If UPI ID is linked to a specific bank account of the payee/ person collecting money, separate details of bank account and IFSC may not be provided in the Dynamic QR Code.
- In case payment is collected by other than supplier then the UPI ID of such person may be provided in the Dynamic QR Code, instead of UPI ID of the supplier.
- Whenever an invoice is issued to recipient outside India for the supply of services, for which the place of supply is in India and the payment is received by the supplier in foreign currency such invoice may be issued without having a Dynamic QR Code.
- In case, where the invoice number is not available at the time of digital display of dynamic QR code in case of over the counter sales and the invoice number and invoices are generated after receipt of payment, the unique order ID/ unique sales reference number, which is uniquely linked to the invoice issued for the said transaction, may be provided in the Dynamic QR Code for digital display.
- When the part-payment for any supply has already been received from the customer/ recipient, in the form of either advance or adjustment through voucher/ discount coupon etc., then the dynamic QR code may provide only the remaining amount payable by the customer/recipient against “invoice value”.

[Circular No.156](#)

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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