

DEC 2023

# NEWSLETTER

## TAX

- Income Tax
- Goods and Services Tax



## Lovi Mehrotra & Associates

Chartered Accountants

21-22 IInd Floor Krishna Nagar Safdarjung Enclave  
New Delhi 110029

Website : [www.lma.co.in](http://www.lma.co.in) • Email : [a.kumar@lma.co.in](mailto:a.kumar@lma.co.in)

<b>Income Tax</b>	
<b>1. Income-tax (Twenty-Eighth Amendment) Rules, 2023.</b>	
	CBDT Notification No. 103/2023 dated 18.12.2023
<p>Vide this Notification, CBDT has amended rule 17(C) of the Income Tax Rules to include another Investment i.e. <b>investment by way of acquiring units of POWERGRID Infrastructure</b> in the Prescribed list of Investments by Charitable Trusts and Institutions as per section 11(5) of the Income Tax Act.</p> <p>Section 11(2)b prescribes that Charitable Trusts and Institutions can accumulate 85% of their Income in the Various Forms of Investments prescribed in Section (11)5.</p> <p>Now, CBDT has added another Investment mode for Charitable Trust and Institutions.</p> <p><a href="#">Notification No.103</a></p>	
<b>2. Income-tax (Twenty-Ninth Amendment) Rules, 2023.</b>	
	CBDT Notification No. 104/2023 dated 19.12.2023
<p>Vide this Notification, CBDT has amended International Transfer Pricing Safe harbour rules by way of Amendments to Rule 10(TA) and Rule 10(TD) of the Income Tax Rules.</p> <p>Prescribed amendments are as follows:</p> <ul style="list-style-type: none"> <li>Definition of <b>‘intra-group loan’</b> is amended to mean a loan advanced to an associated enterprise being a non-resident <ul style="list-style-type: none"> <li>➤ Where the loan is not advanced by an enterprise, being a financial company including a bank or a financial institution or an enterprise engaged in lending or borrowing in the normal course of business</li> <li>➤ And does not include credit line or any other loan facility which has no fixed term for repayment.</li> </ul> </li> <li>Definitions of <b>operating expenses and operating revenue</b> are amended by excluding loss or income on sale of assets on which depreciation has been charged and such depreciation forms part of operating expense.</li> <li>Provision relating to the <b>transfer of assets</b> has also been amended to exclude those assets that are not like fixed assets for which depreciation has already been accounted for.</li> <li>The minimum <b>rates of interest</b> applicable on such international group transactions have now been revised and international benchmark rates have been introduced as the reference rates instead of the domestic rates since the transactions involve foreign currency funds. The interest spread over the benchmark reference rate has also been revised with applicable rates separately for the amounts below and above Rs. 250 crore to facilitate a more realistic assessment in line with the rating of the associated group enterprise.</li> </ul> <p>Amendments are effective from 01.04.2024</p> <p><a href="#">Notification No. 104</a></p>	

### 3. Income Tax Return Forms (ITR -1 & ITR-4) are notified for Assessment Year 2024-25

CBDT

Notification No. 105/2023 dated 22.12.2023

Vide this Notification, CBDT has notified Income Tax Return Forms (ITR1 and ITR 4) for Assessment Year 2024-25.

**ITR-1** is supposed to be filed by a resident individual whose total income does not exceed ₹50 lakh during the financial year having income from salary, one house property, family pension income, agricultural income and other sources which include savings income, interest from deposits, income tax refund and interest on enhanced compensation, any other interest income and family pension.

**TR-4** is supposed to be filed by a resident individual/ HUF/ firm (other than LLP) who has income not exceeding ₹50 lakh during the financial year having income from

- Business and profession which is computed on a presumptive basis under section 44AD, 44ADA or 44AE
- Salary/ pension, one house property, agricultural income up to ₹5,000 and other sources that include interest from savings account, deposit, income tax refund, family pension, interest on enhanced compensation and any other interest income such as interest on unsecured loan.

[Notification No. 105](#)

### 4. Section 194-O, Tax Deduction Guidelines issued

CBDT

Circular No. 20/2023 dated 28.12.2023

Vide this Notification, CBDT has issued guidelines for TDS under section 194 O by e-commerce companies in a **Multiple Operator model framework**.

According to the Section 194-O of the Income Tax Act, 1961 , An e-commerce operator shall deduct income tax at the rate of 1 % of the gross amount of sale of goods or provision of service, or both, facilitated through its digital or electronic facility or platform.

The circular details several types of situations with examples and provides clarity on multiple issues.

[Circular No.20](#)

**Goods And Service Tax****1. Extension of Time Limit for issuance of order under section 73 (9) of the CGST Act.**

CBIC

Notification No. 56/2023 dated 28.11.2023

Vide this notification, CBIC has extended the time limit specified under section 73(10) for issuance of order under section 73(9) of the CGST Act.

This is for the cases involving recovery of tax not paid or short paid or of input tax credit wrongly availed or utilized, relating to the Financial years 2018-19 and 2019-20.

As per Section 73(10), Order shall be issued within 3 years from the due date of furnishing Annual Return of the Financial Year to which recovery of tax not paid or short paid or of input tax credit wrongly availed or utilized relates to.

Extended dates:

<b>Financial Year</b>	<b>Extended Dates for issuance of order by GST Officers</b>
2018-19	30-04-2024
2019-20	31-08-2024

[Notification No. 56](#)

**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



**Lovi Mehrotra & Associates**

**Chartered Accountants**

**21-22 IInd Floor Krishna Nagar Safdarjung Enclave  
New Delhi 110029**

**Website : [www.lma.co.in](http://www.lma.co.in) • Email : [a.kumar@lma.co.in](mailto:a.kumar@lma.co.in)**