



Income Tax

PPF account deemed to be closed on Resident A/c holder becoming non Resident

- (1) These Scheme may be called the **Public Provident Fund (Amendment) Scheme, 2017.**
- (2) They shall come into force on the date of their publication in the Official Gazette.
- In the Public Provident Fund Scheme, 1968, in paragraph 3, in sub-paragraph (3), for the proviso, the following proviso shall be substituted, namely: -
"Provided that if a resident who opened an account under this scheme, subsequently becomes a non-Resident during the currency of the maturity period, the account shall be deemed to be closed with effect from the day he becomes a non-resident and interest with effect from that date shall be paid at the rate applicable to the Post Office Saving Account up to the last day of the month preceding the month in which the account is actually closed".

Registration of Charitable or Religious Trusts -Draft Rules

Earlier Position or before Finance Act 2017*

There was no onus on Religious Trusts or Institutions to report "Adoption or Modification of the Objects."

To plug the hole, the finance ministry has brought an amendment in Income Tax Act, 1961 through Finance Act 2017.

* W.e.f 1st April 2018

Proposed Amendments – In Brief

Provisions at present

Application for registration of charitable or religious trusts, etc. Rule 17A.

An application for registration of charitable or religious trusts, shall be made in Form No. 10A & shall be accompanied by following documents:

- Original copy of Trust Deed or Instrument, with one copy thereof. The commissioner may accept the certified true copy of Trust Deed or Instrument in lieu of Original copy
- Document evidencing the creation of the Trust where the Trust is created, otherwise than under an instrument or Trust Deed, with one copy thereof.
- Where the Trust has been in existence during for any year or years, prior to

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EDITORS NOTE

Dear Reader, this edition features mainly on GST on Education Service-Rates and Overview. Income Tax, Corporate Law GST updates etc., As usual, expecting your your valuable suggestions.

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TAX DUE DATES - NOVEMBER 2017

Annual Compliance:

| Sl.No | Particulars | Due Dates |
|-------|---|-----------|
| 1 | Filing of income tax return (ITR 3, 4, 5, 6, 7) by the Assessee who were liable to file by 30th September 2017. | 07-Nov-17 |
| 2 | Annual Return by Companies (MGT 7) | 29-Nov-17 |
| 3 | Balance sheet in Non - XBRL format (AOC-4) | 28-Nov-17 |
| 4 | E filing of tax audit report (Form 3CD, 3CA/3CB) | 07-Nov-17 |
| 5 | Obtaining and filing report u/s 92E for transfer pricing cases (Form 3CEB + Form 3CD+ ITR 4, 5, 6) | 30-Nov-17 |

Quarterly Compliance:

| Sl.No | Particulars | Due Dates |
|-------|---|-----------|
| 1. | Issue of TDS Certificates for Sep quarter by all deductors (Form 16A) | 15-Nov-17 |
| 2. | Form for making the declaration in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another, during the quarter July to September (GST ITS 4) | 30-Nov-17 |

One Time Compliance:

| Sl.No | Particulars | Due Dates |
|-------|--|-----------|
| 1 | Filing of TRAN 1 to claim ITC with or without revision | 30-Nov-17 |

Monthly Compliance:

| Sl.No | Particulars | Due Dates |
|-------|---|-----------|
| 1 | E-Payment of PF for Oct (ECR) | 15-Nov-17 |
| 2 | Payment of ESIC of Oct (ESIC challan) | 15-Nov-17 |
| 3 | Submission of forms received in Oct to IT Commissioner (Form 27 C) | 07-Nov-17 |
| 4 | Payment of TDS U/s. 194-IA for purchase of property (exceeding Rs 50 Lacs) for Oct 2017 (Form 26QB) | 30-Nov-17 |
| 5 | Issue of TDS Certificate in case of payment/credit made in August for purchase of property U/S 194IA (FORM 16B) | 14-Nov-17 |
| 6 | GSTR-3B for the month of Oct 2017 | 20-Nov-17 |
| 7 | Return of inward supplies for July by Regular and Casual suppliers (GSTR-2) | 30-Nov-17 |
| 8 | Declaration for claim of input tax credit under sub-section (1) of section 18 for dealers (FORM GST ITC-01) | 30-Nov-17 |





the financial year in which the application for registration is made, 2 copies of the accounts of the trust relating to such prior year or years (but not more than 3 years immediately preceding the year).

Application for registration of charitable or religious trusts, etc.

Rule 17A

An application for registration of charitable or religious trusts, shall be made in Form No. 10A & shall be accompanied by following documents:

1. Self-certified copy of Trust Deed or Instrument, where the trust is created under an instrument.
2. Self-certified copy of the document evidencing the creation of the trust, where the trust is created, otherwise than under an instrument.
3. Self-certified copy of registration with Registrar of Companies (RoC) or Registrar of Firms and Societies or Registrar of Public Trusts.
4. Self-certified copy of the documents evidencing adoption or modification of the objects, if any;
5. Where the trust has been in existence for during any year or years prior to the financial year in which the application for registration is made, self-certified copies of the annual accounts of the trust relating to such prior year or years (but not more than 3 years immediately preceding the year).
6. Note on the activities of the trust or institution.
7. Self-certified copy of the existing order granting registration under section 12A or section 12AA, if any.
8. Self-certified copy of the order of rejection of an application for grant of registration under section 12A or section 12AA, if any.

MCA extends last date of filing AOC-4 and AOC- 4 (XBRL non-IndAS) upto November 28, 2017

**Section 137 of the companies act, 2013 - accounts of companies -
Copy of financial statements to be filed with registrar -
Relaxation of additional fees and extension of last date of filing of
Aoc-4 (xbml non-ind as) under companies act, 2013**

GENERAL CIRCULAR NO.14/2017 [F.NO.01/34/2013 CL-V], DATED 27-10-2017

The Ministry of Corporate Affairs has extended the date for filing of AOC-4 (XBRL E-forms using Ind AS) for the financial year 2016-17 without additional fee till 31-3-2018 vide General Circular No. 13/2017 dated 26-10-2017. Keeping in view the requests received from various stakeholders, for allowing extension of time for filing of financial statements for the financial year ended 31-3-2017 on account of various factors, it has been decided to extend the time for filing e-forms AOC-4 and AOC-4 (XBRL non-Ind AS) and the corresponding AOC-4 CFC e-forms upto 28-11-2017 without levying additional fee.



GST Updates

Waiver of penalty in respect of GSTR 3B for July, August and September.

Corporate Law

The Ministry Of Corporate Affairs has issued a notification very recently on 7th November 2017 which reads as follows:

G.S.R. 1371(E).-In exercise of the powers conferred by sub-sections (1) and (3) of section 128, sub-section (3) of section 129, section 133, section 134 and section 138 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Accounts) Rules, 2014, namely:-

- (1) These rules may be called the Companies (Accounts) Amendment Rules, 2017.
(2) They shall come into force on the date of their publication in the Official Gazette.
- In the Companies (Accounts) Rules, 2014, in Annexure, for form AOC-4, the new Form shall be substituted. It is very similar to the previous form except for a few minute changes that have been made in this new Form.

***Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below :—**

| Particulars | SBNs | Other denomination notes | Total |
|---------------------------------------|------|--------------------------|-------|
| Closing cash in hand as on 08.11.2016 | | | |
| (+) Permitted receipts | | | |
| (-) Permitted payments | | | |
| (-) Amount deposited in Banks | | | |
| Closing cash in hand as on 30.12.2016 | | | |

This is the only major inclusion in the new form which requires us to provide the details regarding the Specified Bank Notes that were being transacted during the period between 8th November 2016 to 30th December 2016.

Important documents to link with Aadhaar:

The government has made it mandatory to link important documents with Aadhaar for availing the benefits of various social welfare schemes.

| Documents | Due Dates |
|--------------------|--------------------|
| PAN No. | 31-12-2017 |
| Bank Account | Yet to be notified |
| Driving Licence | Yet to be notified |
| Gas Connections | Yet to be notified |
| Ration Card | Yet to be notified |
| Insurance Policies | Yet to be notified |



GST on Education Services

GST taxability on education sector

Education is the process of training and developing knowledge, skill and character of students by normal schooling.

The GST Act tries to maintain a fine balance whereby core educational services **provided** and **received** by educational institutions are exempt and other services are sought to be taxed at the standard rate of 18%.

Auxiliary services received by such educational institutions for the purpose of education up to Higher Secondary level is also exempt from GST. Other services related to education, not covered by the exemption would be taxed at a standard rate of 18% with full admissibility of ITC for such taxable services in cases where the output service is not exempt.

However, Services by an entity registered under section 12AA of the Income-tax Act, 1961 (43 of 1961) by way of charitable activities are exempted from GST.

**Education Services are covered under forward charge.
Therefore, GST shall be paid by the supplier of services.**

Educational Institution means an institution providing services by way of:

1. Pre-school education and education up to higher secondary school or equivalent;
2. Education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;
3. Education as a part of an approved vocational education course

“Educational institution” means:

1. institutions providing services by way of education as a part of curriculum for obtaining a qualification recognised by any law for the time being in force.
2. institutions providing services by way of education as a part of approved vocational course

As per notification no. 12 CTR dated 28th June 2017, an “approved vocational education course” means, -

- i. A course run by an industrial training institute or an industrial training centre affiliated to the National Council for Vocational Training or State Council for Vocational Training offering courses in designated trades notified under the Apprentices Act, 1961 (52 of 1961); or
- ii. A Modular Employable Skill Course, approved by the National Council of Vocational Training, run by a person registered with the Directorate General of Training, Ministry of Skill Development and Entrepreneurship.

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Rates of GST in education sector

GST Rates for education sector are mentioned in:

1. Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017 and
2. Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017

| 3. Chapter/ Section/Heading | Description of Service | Rate / Notification |
|--------------------------------|---|---|
| 9992 | Education Services | 18% as per <u>serial no 30 of notification no. 11 CTR dated 28th June 2017</u> |
| 9992 | <p>Services provided –</p> <p>(a) by an educational institution to its students, faculty and staff;</p> <p>(b) to an educational institution, by way of, -</p> <p>(i) transportation of students, faculty and staff;</p> <p>(ii) catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory;</p> <p>(iii) security or cleaning or housekeeping services performed in such educational institution;</p> <p>(iv) services relating to admission to, or conduct of examination by, such institution; up to higher secondary;</p> <p>Provided that nothing contained in entry (b) shall apply to an educational institution other than an institution providing services by way of pre-school education and education up to higher secondary school or Equivalent</p> | NIL as per <u>serial no 66 of notification no. 12 CTR dated 28th June 2017</u> |
| 9992 | <p>Services provided by the Indian Institutes of Management, as per the guidelines of the Central Government, to their students, by way of the following educational programmes, except Executive Development Programme: -</p> <p>(a) two year full time Post Graduate Programmes in Management for the Post Graduate Diploma in Management, to which admissions are made on the basis of Common Admission Test (CAT) conducted by the Indian Institute of Management;</p> <p>(b) fellow programme in Management;</p> <p>(c) five year integrated programme in Management.</p> | NIL as per <u>serial no 67 of notification no. 12 CTR dated 28th June 2017</u> |
| 90 or any Chapter | Technical aids for education, rehabilitation, vocational training and employment of the blind such as Braille typewriters, braille watches, teaching and learning aids, games and other instruments and vocational aids specifically adapted for use of the blind Braille instruments, paper etc. | 5% as per <u>serial No. 257 of Schedule I of the Notification No. 1 CTR dated 28th June, 2017</u> |
| 9023 | Instruments, apparatus and models, designed for demonstrational purposes (for example, in education or exhibitions), unsuitable for other uses | 28% as per <u>serial No. 191 of Schedule IV of the Notification No. 1 CTR dated 28th June, 2017</u> |

Services provided by an educational institution to students, faculty and staff are exempt.

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Overview:-

1. Conduct of degree courses by colleges, universities or institutions which lead grant of qualifications recognized by law would be exempted from GST.
2. Training given by private coaching institutes or other unrecognised institution or self styled educational institution would not be exempted as such training does not lead to grant of a recognized qualification.
3. Services provided by way of education as a part of a prescribed curriculum for obtaining a qualification recognized by a law of a foreign country are also not exempted because the course / degree not recognized by Indian Law.

Education Services are classified in heading 9992 and are further sub-divided into six groups comprising of

1. Pre-primary education services
2. Primary education services
3. Secondary Education Services
4. Higher education services
5. Specialised education services
6. Other education & training services and educational support services

Composite and Mixed Supply in Education sector

- If in Boarding schools, charges for education and lodging and boarding are inseparable then it exempt from GST
- Provision of dual qualifications is in the nature of two separate services as the curriculum and fees for each of such qualifications are prescribed separately. Service in respect of each qualification would, therefore, be assessed separately.

FIXED ASSETS MANAGEMENT

Knowledge into decision...

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