



Income Tax

Analysis of amendments related to Charitable and religious trusts

- Any contribution by a charitable or religious trust or a institution to any other trust or institution registered u/s 12AA, with a specific direction shall not be treated as application of income for the donor trust/institution.
- If a trust or an institution has been granted registration and subsequently it has made modifications of the objects, then it shall be required to obtain fresh registration by making an application within a period of 30 days from the date of such modifications in the prescribed form and manner.
- If any property or money is being received by the charitable trust or by any private Trust for inadequate consideration or without consideration in excess of Rs. 50,000 then it will chargeable to income-tax under the head "Income from other sources" in the hands of the recipient trust.

However, this newly inserted clause(x) in section 56 shall not apply to any sum of money or any property received:

- from any fund or foundation or university or other educational institution or hospital or other medical institution or any trust or institution referred to in clause (23C) of section 10.
- from or by any trust or institution registered under section 12A or section 12AA.
- by any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10.
- from an individual by a trust created or established solely for the benefit of relative of the individual.

80G Amendment w.e.f – 01.04.2017

OLD

- Amount limit RS.10,000/- in form of cash.

NEW

- Amount limit RS.2000/- in form of cash.

EDITORS NOTE

Dear Reader, this edition features Income Tax, GST updates on Electronic way bill, Corporate Law Amendments and How to avoid Double taxation for NRIs. expecting your your valuable suggestions.

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TAX DUE DATES - JANUARY 2018

Quarterly Compliances		
Sl. no	Particulars	Due Dates
1	Due date for Deposit of TDS for quarter ending Dec 31, 2017 u/s 192, 194A, 194D or 194H	07-01-2018
	Filing of Quarterly statement of TDS for the quarter ending	15-01-2018
2	Dec 31, 2017 in Form 27EQ	
3	Uploading of declarations in form 15G/15H for the quarter ending December 31, 2017.	15-01-2018
4	Uploading quarterly statement under Rule 37BB (7) in respect of foreign remittances for quarter ending Dec 31, 2017	15-01-2018
5	Due Date for filing GSTR – 4 for Oct 2017 – Dec 2017	18-01-2018
6	Quarterly TCS certificate in respect of tax collected for the quarter ending December 31, 2017	30-01-2018
7	Filing of Quarterly return of TDS deposited for the quarter ending December 31, 2017 in the prescribed format (Form 24Q, 26Q, 27Q)	31-01-2018
8	Due date for filing Form GST ITC – 01	31-01-2018
9	Revised due date for filing GSTR – 1 for July- Sep 2017 for turnover up to 1.5 crores	10 – 01-2018
Monthly Compliances		
Sl. no	Particulars	Due Dates
1	Due date for deposit of Tax deducted/collected at source for the month of December, 2017	07-01-2018
2	Revised due date for filing GSTR – 1 for July- Nov 2017 for turnover more than 1.5 crores	10 – 01-2018
3	Due date for issue of TDS Certificate for tax deducted at source under section 194-IA in the month of Nov, 2017	14 – 01-2018
4	E-Payment of PF for Dec, 2017 (ECR)	15 – 01-2018
5	Payment of ESIC of Dec, 2017 (ESIC challan)	15 – 01-2018
6	Due date for filing GSTR – 3B for month of Dec, 2017	20 – 01-2018
7	Due date for furnishing of challan cum statement in respect of TDS u/s 194-IA in month of Dec, 2017	30 – 01-2018
One Time Compliance		
Sl.no	Particulars	Due dates
1	Condonation of delay scheme 2018 applicability	01.01.2018 to 31.03.2018



GST Updates

Introduction of Electronic E-way Bill

Applicable to whom:

E-way bill is an electronic document generated on the GST portal evidencing movement of goods.

It has two components:

Part A:

- a. Details of GSTIN of recipient
- b. Place of delivery (PIN CODE)
- c. Invoice or Challan No. and date
- d. Value of goods
- e. HSN Code
- f. Lorry Receipt No.
- g. Reasons for transport of goods

Part B:

- a. Details of Transporter including Vehicle No.

As per CGST Rules, every registered person, who causes movement of goods of consignment value more than Rs. 50,000/- are required to furnish the above mentioned information in part A of e-way bill.

Persons responsible to generate E-Way Bill:

E-way bill is to be generated by the consignor or consignee himself if the transportation is being done in own/hired conveyance or by railways by air or by Vessel. If the goods are handed over to a transporter for transportation by road, E-way bill is to be generated by the Transporter.

But if either the consignor or consignee, do not generate the e-way bill and the value of goods is more than Rs. 50,000/- , then responsibility of generating the e-way bill will be of the transporter.

Date of Applicability:

Made compulsory from 1st of February 2018 and will be rolled out on trial basis latest by 16th January, 2018. Traders and transporters can use this system on voluntary basis from 16th January, 2018. And the states can opt to follow the e-way bill system any time before 1st June 2018 from 1st June 2018 e-way bill rules will uniformly apply to all states.

S&V

Hope you are pleased
with how the audit went last year

Wishing you a
Great year ahead

2018



CORPORATE LAW

Amendments

1. The properties of companies struck – off by ROC cannot be used, operated, transferred or alienated in any manner including by their ex-directors / authorized signatories, till they are restored by following the due process of law u/s 252 of the Act.

2. Condonation of Delay Scheme, 2018

With a view to giving an opportunity for the non-complaint, defaulting companies to rectify the default of Disqualification, The Central Government has decided to introduce a Scheme namely "**Condonation of Delay Scheme 2018**" [CODS-2018]

- ▶▶ This Scheme comes into force with effective from 01.01.2018 remains up to 31.03.2018.
- ▶▶ **Applicability:** This scheme is applicable to all defaulting Companies other than the companies whose names have been stuck off from the register of companies u/s 248(5) of the Act.
- ▶▶ **Procedure:**
In case of defaulting companies whose names have not been removed from the register of companies,
 - ▶ The DINs of the disqualified directors shall be temporarily activated during the validity of the scheme, enabling them to file the overdue documents which were due for filing till 30.06.2017 in respective prescribed eForms paying statutory filing fee and additional fee.
 - ▶ The Defaulting Company after filing documents under this scheme, shall seek condonation of delay by filing form e-CODS 2018 attached to this scheme along with a fee of Rs.30000/- before last date of the scheme.
 - ▶ The DINs of the Directors associated with the defaulting companies, if not filed their overdue documents and eform CODS, and still found to be disqualified on the conclusion of the scheme, shall be liable to be deactivated on expiry of scheme period.

The defaulting companies whose names have been removed from register of companies should file application for revival before last date of scheme, the Directors DIN shall be re-activated only NCLT order of revival subject to the company having filing of all overdue documents.

Documents which can be filed by defaulting companies:

- ▶ Form Number 20B/MGT-7 Form for filing Annual return by a company having share capital, Form 21A/MGT-7 by a company not having share capital.
- ▶ Form 23AC, 23ACA, 23AC-XBRL, 23ACA-XBRL, AOC-4, AOC-4(CFS), AOC(XBRL) and AOC-4(non-XBRL)- Forms for filing Balance Sheet/Financial Statement and P&L account
- ▶ Form 66- Form for submission of Compliance Certificate with the Registrar.
- ▶ Form 23B/ADT-1-Form for intimation for Appointment of Auditors.

Note: e-CODS Form is available only from 20 February 2018

Continued...



3. Small company:

Small company means other than a public limited company,

Existing Provision	Amendment
<ul style="list-style-type: none"> Paid up share capital of which does not exceed fifty lakh rupees or such higher amount which shall not be more than five crore rupees. 	<ul style="list-style-type: none"> Paid up share capital of which does not exceed fifty lakh rupees or such higher amount which shall not be more than ten crore rupees.
<ul style="list-style-type: none"> Turnover as per profit & loss account for the immediately preceding financial year does not exceed two crore rupees or such higher amount which shall not be more than twenty crore rupees. 	<ul style="list-style-type: none"> Turnover as per profit & loss account for the immediately preceding financial year does not exceed two crore rupees or such higher amount which shall not be more than one hundred crore rupees.

4. Name reservation /Approval:

Existing Provision	Amendment
<ul style="list-style-type: none"> The period for reservation of the name would be 60 days from the date of the approval but not from the date of application in case of a new company. 	<ul style="list-style-type: none"> The period for reservation of the name would be 20 days from the date of the approval but not from the date of application in case of a new company.
<ul style="list-style-type: none"> In case of an application for reservation of name or change of its name by an existing company, the period of reservation would be 60 days from the date of approval. 	<ul style="list-style-type: none"> In case of an application for reservation of name or change of its name by an existing company, the period of reservation would be 60 days from the date of approval.

5. Registered Office of the company:

Existing Provision	Amendment
<ul style="list-style-type: none"> A company shall, within 15 days of its incorporation, have a registered office capable of receiving and acknowledging all communications and notices as may be addressed to it. 	<ul style="list-style-type: none"> A company shall, within 30 days of its incorporation, have a registered office capable of receiving and acknowledging all communications and notices as may be addressed to it.
<ul style="list-style-type: none"> The time period for giving notice of change of situation of the registered office is within 15 days of the change. 	<ul style="list-style-type: none"> The time period for giving notice of change of situation of the registered office is within 30 days of the change.



How NRI's can avoid double taxation?

A situation where a person is taxed in two countries for the same income is known as double taxation. A mandate called the Double Tax Avoidance Agreement (DTAA) is entered between two countries, in this case it is between India and another foreign state.

Methods for Availing DTAA:

Exemption Method

Any income accruing in the form of dividend, interest, royalty or fees for technical services arising in India, will be solely taxable in India and if for a resident if such income is arising in any of the countries then the income will solely be taxed in that country and it will not be at taxed in India.

Deduction Method

Tax paid in the country of source is deducted from the Global income and then on residual amount income tax is paid, as per this method.

Tax Credit Method

The country of residence includes income from the country of source (India) in the total taxable income of the tax payer and tax on the basis of such taxpayer's total income (including income from country where income was earned) is then computed. A deduction is allowed from its own taxes for taxes paid in country where income was earned.

The following are the few basic steps for availing benefit under DTAA:

1. Check the DTAA between the countries in question after determining the country of residence.
2. The person concerned has to submit relevant documents to claim the tax exemption or tax credit as applicable. The basic documents generally include the DTAA application form, tax residency certificate and a self-attested copy of the Permanent Account Number (PAN). There are other sets of documents which are also required based on the specific necessity.

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