

LOVI MEHROTRA & ASSOCIATES

CHARTERED ACCOUNTANTS

MONTHLY UPDATE

MARCH 2017

(Circulars/ Notifications released during
the month of March 2017)

31st March 2017

[Income Tax](#)

[Service Tax](#)

[Customs Duty](#)

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I. INCOME TAX

S.NO.	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY
1.	CBDT (DIT-System) Notification No. 02/2017 dated 09.03.2017	Procedure of PAN application through Simplified Profoma For Incorporating Company Electronically (SPICe)	A common application in the form of SPICe (Form No INC-32) has been notified for newly incorporated companies to file for allotment of PAN. Notification
2.	CBDT Circular No. 09/2017 dated 14.03.2017	Clarification on Taxation and Investment Regime for Pradhan Mantri Garib Kalyan Yojana, 2016 (PMGKY)	CBDT has issued clarification on Pradhan Mantri Garib Kalyan Yojana, 2016 (PMGKY) in respect of undisclosed income in the form of cash or deposit in an account as to whether these should exist on the date of filing of declaration under the Scheme. Circular
3.	CBDT Circular No. 10/2017 dated 23.03.2017	Clarification on Income Computation and Disclosure Standards (ICDS) notified u/s 145(2) of the Income Tax Act, 1961	The amended ICDS effective AY 2017-18 was notified vide Notification no 87 dated September 29,2016 Further clarifications have now been issued by CBDT on certain provisions of ICDS in the form of FAQs. Circular
4.	CBDT Circular No. 11/2017 dated 24/03/2017	Order under section 119(2)(a) of the Income Tax Act,1961	CBDT has specified the classes of cases in which the reduction or waiver of interest under section 201(1A)(i) can be considered. Circular
5.	Press Release dated 09/03/2017	India-Belgium Double Taxation Avoidance Agreement	India and Belgium have signed a protocol amending the existing agreement between the two countries for Avoidance of Double Taxation and the Prevention of fiscal evasion with respect to taxes on income. Press Release
6.	Press Release dated 23/03/2017	Third protocol amending India-Singapore Double Taxation Avoidance	India-Singapore DTAA has been amended to provide for <i>source based taxation</i> instead of resident base taxation of capital gains arising on sale of shares in a company.

		Agreement (DTAA)	<p>A two year transition period from 1st April, 2017 to 31st March, 2019 has been provided during which capital gains on shares will be taxed in source country at half of normal tax rate, subject to fulfillment of conditions in Limitation of Benefits clause.</p> <p>Press Release</p>
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SERVICE TAX

S.NO.	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY
1.	Notification No. 10/2017 - Service Tax dated 08.03.2017	Amendment in Notification No. 25/2012-ST dated 20 th June, 2012 (Exempt Services)	Notification has been amended so as to insert a proviso in clause (b) of entry 9 to the effect that this entry shall not apply to an educational institution other than an institution providing services by way of preschool education and education up to higher secondary school or equivalent Notification
2.	Circular No. 205/3/2017 - Service Tax dated 27.03.2017	Extension of e- payment deadline and of banking hours	All agency banks shall keep the counters of their designated branches open up to 06:00 pm on March 30, 2017 and up to 08:00pm on March31, 2017. However, all electronic transactions would continue till midnight of March 31, 2017 so that assesses can make e-payment till midnight. Circular

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III. CUSTOMS DUTY

S.NO.	CIRCULAR/ NOTIFICATION NO.	PARTICULARS	SHORT SUMMARY
1.	CBEC Notification No. 22/2017 dated 16.03.2017	Rate of Exchange	CBEC has notified the rate of exchange of conversion of foreign currency for import and export of goods for 20 currencies specified in Schedule I & Schedule II effective from 17th March, 2017. Notification
2.	CBEC Instruction No. 3/2017- Custom dated 16.03.2017	Errors in Bank account details given by exporters	CBEC has advised exporters to provide correct Bank account details, IFSC code, etc for processing claims of Duty Drawback and Rebate of State Levies (RoSL) Schemes. Instruction
3.	CBEC Circular No. 7/2017- Custom dated 06.03.2017	Guidelines for launching of prosecution in relation to offence punishable under Customs Act, 1962	Prosecution guidelines have been amended to clearly define the role of Director General of Revenue Intelligence (DGRI) so as to avoid any undue delays in launching of prosecution or completion of prosecution proceedings. Circular

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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