



FINANCE (NO 2) BILL 2024

JULY 23, 2024

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Chartered Accountants



Proposed Amendments in Direct Tax

[SLIDE 03 – 32]

Tax Slabs Under New Tax Regime

Existing slab rates

Rs. 0 to 3 Lac	Nil
Rs. 3 Lac to 6 Lac	5%
Rs. 6 Lac to 9 Lac	10%
Rs. 9 Lac to 12 Lac	15%
Rs. 12 Lac to 15 Lac	20%
Above Rs. 15 Lac	30%

Amended slab rates

Rs. 0 to 3 Lac	Nil
Rs. 3 Lac to 7 Lac	5%
Rs. 7 Lac to 10 Lac	10%
Rs. 10 Lac to 12 Lac	15%
Rs. 12 Lac to 15 Lac	20%
Above Rs. 15 Lac	30%

No change in rates for old tax regime

**Effective Date April 1, 2024
(FY 24-25)**

Other Amendments in New Tax Regime

Existing provision

A. Standard deduction of **Rs. 50,000** is allowed while computing income under the head “Salaries”.

B. In case of contribution to New Pension Scheme by employer (Other than Central or State Govts), tax exemption allowed to employees upto **10% of salary**.

Amended provision

A. Standard deduction of **Rs. 75,000** will be allowed while computing income under the head “Salaries” .

B. In case of Contribution to New pension Scheme by employer (Other than Central or State Govts), exemption allowed to employees up to **14% of salary**.

**Effective Date April 1, 2024
(FY 24-25)**

Tax Rates For Foreign Companies

Existing provision

Income of Foreign Companies is taxable @**40%** + Applicable Surcharge and Cess.

Amended provision

Income of Foreign Companies will be taxable @**35%** + Applicable Surcharge and Cess.

**Effective Date April 1, 2024
(FY 24-25)**

Tax on Buyback of Shares

[Section 115QA, 2(22)f]

Existing provision

Tax on distributed income from buyback of shares by shareholders is paid by the company.

Tax rate on distributed income is 20% + 12% Surcharge + 4% Cess (Effective rate 23.3%)

Amended provision

Entire proceeds from buyback of shares will be taxable in the hands of shareholders as **deemed dividend** (Newly inserted Section 2(22)(f)).

Tax rate will be the normal slab rates applicable for the recipient.

Company will need to deduct tax @10% u/s 194 from buyback payment to shareholders.

Cost of acquiring such shares which are bought back will be treated as **capital loss** for the shareholders and can be set off against any other capital gain from sale of shares.

Effective Date October 1, 2024.

Appeal to Income Tax Appellate Tribunal(ITAT) Section 253

Existing provision

A. Time limit for filing appeal before ITAT is **60 days from the date on which the order sought to be appealed against is communicated to the Assessee or to the CIT, as the case may be.**

B. As per section 253(1), no appeal can be filed before ITAT against order under Sec 158BFA (*Order on Assessment related to Undisclosed income from blocked period*)

Amended provision

B. Time limit for filing appeal before ITAT is **2 months from the end of the month in which the order sought to be appealed against is communicated to the Assessee or to the CIT, as the case may be.**

B. Appeal can be filed before ITAT against order passed under Section 158BFA **for levying interest and penalty on undisclosed income.**

Effective Date October 1, 2024

Time & Monetary Limits For Issue of Notice For Reassessments [Sec. 149]

Existing provision

- a. Notice under section 148 can be issued
- b. i. Within 3 years if income escaped as per AO is less than Rs. 50 Lakhs.
ii. Up to 10 years if income escaped as per AO is Rs. 50 Lakhs or more.

No Time and monetary limits are prescribed for issue of notice under section 148A.

Amended provision

- a. Notice under section 148 can be issued
- b. i. Within 3 years and 3 months if income escaped as per AO is less than Rs. 50 Lakhs.
ii. Up to 5 years and 3 months if income escaped as per AO is Rs. 50 Lakhs or more.

Notice under section 148 A can be issued

- a. i. Within 3 years if income escaped as per AO is less than Rs. 50 Lakhs.
- b. ii. Up to 5 years if income escaped as per AO is Rs. 50 Lakhs or more

Effective Date July 23, 2024

Single Exemption Regime for Charitable Institutions [Section 11, 10(23C)]

- Currently exemption provisions for charitable trusts/entities are covered u/s 11 or u/s 10(23C) with similar tax benefits but different procedures for registration , conditions for approval etc.
- With a view to simplify the process of taxation, the two regimes will be merged over time.
- No new registrations or renewal of existing registrations will be granted u/s 10(23C) with effect from 1 October 2024;
- Existing institutions will continue to be governed u/s 10 (23C) for the period of validity of the registration, where applicable.
- List of permissible investments under section 11(5) will be expanded to align with Section 10(23C).

Exit Tax On Merger of Charitable Trusts & Institutions [Sec 12AC, Section 115TD to 115TF]

Existing provision

Upon merger, Charitable Trusts & Institutions are required to pay income tax on accreted income as per provisions of Chapter XII-EB (Sections 115TD to 115TF)

Amended provision

Income tax will not be levied if Charitable Trusts and Institutions registered under section 10(23C) or section 11-13 merge with each other subject to satisfaction of prescribed conditions.

A new section 12AC is proposed to be inserted for this purpose.

Effective date to be notified by the Government

Taxation of Capital Gains

[Sec. 111A, 2(42)A]

Existing provision

- A. Tax rate on Short term capital gains on sale of equity shares, units of equity oriented funds and units of Business Trust (STT paid) is **15%**.
- B. Period of holding for capital Assets classification into short term capital Assets and long term Capital Assets:
- i. Listed equity shares- 12 months
 - ii. Unlisted equity shares and immovable property - 24 Months
 - iii. Bonds, Debentures and units of listed business trust- 36 months
- If period of holding is \leq specified duration, then short term otherwise long term*

Amended provision

- A. Tax rate on Short term capital gains on sale of equity shares, units of equity oriented funds and units of Business Trust (STT paid) will be **20%**. (applicable to both residents and non-residents)
- B. Period of holding for capital Assets classification into short term capital assets and long term capital assets:
- i. Listed securities- 12 months
 - ii. All other capital Assets- 24 months
- If period of holding is \leq specified duration, then short term otherwise long term*

Effective July 23, 2024

Taxation On Capital Gains

[Sec. 112, 112A]

Existing provision

- A. Capital gains on sale of Long Term Capital Assets (Listed equity shares, units of equity oriented fund and units of business trust) are taxable @**10%** after providing exemption of **Rs. 1 lakhs** from such capital gains income.
- B. Long term Capital Gain Tax on Bonds and Debentures:
- Listed Bonds & Debentures @**10%** without indexation for both Residents and Non Residents
- Unlisted Bonds & Debentures @ **20%** without indexation for residents and **10%** for Non residents

Amended provision

- A. Capital gains on sale of Long Term Capital Assets (Listed equity shares, units of equity oriented fund and units of business trust) are taxable @**12.5%** after providing exemption of **Rs. 1.25 Lakhs** from such capital gains income.
- B. Long term capital gain tax on Bonds and Debentures:
- Listed Bonds & Debentures @**12.5%** for both Residents and Non Residents
- Unlisted Bonds & Debentures will be taxable **at applicable slab rates** and will always be considered as **short term gains**.

Effective Date July 23, 2024

Taxation on Capital Gains [Sec. 112]

Existing provision

- A. Capital gains on sale of Long Term Capital Assets other than Bonds and Debentures (unlisted shares and immovable property) :
- B. Resident- 10%
- C. Non Resident- 10 % on unlisted securities and 20 % on other than unlisted securities

Amended provision

- A. Capital gains on sale of Long Term Capital Assets other than Bonds and Debentures (unlisted shares and immovable property):
- B. Resident- 12.5%
- C. Non Resident- 12.5%

Effective Date July, 23 2024

Summary of Changes in Capital Gains Taxation

Long Term Capital Gains	Holding Period- months (Old)	Holding Period – months (New)	Tax Rate (Old)	Tax Rate (New)
Unlisted Shares (No STT)	24	12	20%	12.5%
Shares (STT)	12	12	12.5%	12.5%
Listed bonds/debentures	12	12	12.5%	12.5%
Units of Business Trusts	36	12	10%	12.5%
Short Term Capital Gains				
Equity Shares	12	12	15%	20%
Unlisted debentures	36	Deemed Short Term	20%	Slab Rate

Definition of Specified Mutual Fund [Section 50AA]

Existing definition

Mutual Fund which invest not more than 35% of its proceeds in equity share of Domestic companies.

Definition of specified fund is used in determining the nature of Mutual Funds (Debt Oriented or equity oriented) for calculating tax on sale of mutual funds.

Amended definition

A Mutual fund which invests more than 65% of its proceeds in debt and money market institutions or

A fund which invests 65% or more of its total proceeds in units of fund referred above.

Gold funds, silver funds, international funds and fund of funds now no longer in the ambit of this provision.

Effective Date April 1, 2025

Abolition of Angel Tax [Section 56(2)viib]

Existing provision

Share premium received by closely held companies from residents or non residents in excess of fair market value of its shares is taxable in the hands of the company.

Amended provision

Section 56(2) viib is abolished.

There will be no tax on company on share premium money received in excess of fair market of value of shares.

This will be a big boost for Start-up ecosystem.

Effective Date April 1, 2024

Abolition of Equalisation Levy on E-commerce Supply of Goods and Services [Section 165A]

Existing provision

Non-resident e-commerce operators providing e-commerce supplies or services to Indian residents must remit an equalization levy of 2% of the consideration received or expected from e-commerce supplies or services facilitated, provided, or delivered by the said operator.

Amended provision

Equalisation levy will not be applicable to consideration received or receivable for e commerce supply or services.

However, Equalisation Levy @ 6% continues on online advertisement/ related payments and no change has been proposed in respect of the same

Effective Date August 1, 2024

Revision of TDS Rates for Payments Made To Residents

Section and Nature of Payment	Present Rate	Proposed Rate
Section 194H: Payment of commission or brokerage	5%	2%
Section 194IB: Payment of rent by certain individuals or HUF	5%	2%
Section 194M: Payment of certain sums by certain individuals or HUF	5%	2%
Section 194D: Payment of insurance commission	5%	2%
Section 194DA: Payment in respect of life insurance policy	5%	2%
Section 194G: Commission etc. on sale of lottery tickets	5%	2%
Section 194O: Payment of certain sums by e-commerce operator to e-commerce participant	1%	0.10%
Section 194F: Relating to payments on account of repurchase of units by Mutual Fund or UTI	20%	Nil
Effective Date October 1, 2024		

Revision of TDS Rates For Payments Made To Non- Residents [Section 195]

Nature of Income	Present Rate	Proposed Rate
Long-term capital gains referred to in section 115E	10%	12.50%
Long-term capital gains referred to in section 112(1)(c)(iii)	10%	Nil
Long-term capital gains referred to in section 112A exceeding Rs.1,25,000/-	10%	12.50%
Other Long-term capital gains [not being long-term capital gains referred to in clauses (33)]	20%	12.50%
Short-term capital gain referred to in section 111A	15%	20%
Other Income of foreign company	40%	35%
Effective Date July 23, 2024		

TDS on Immovable properties- Clarification (Sec. 194 IA)

As per sec 194IA TDS on transfer of immovable property other than Agricultural Land applies if consideration paid or stamp duty value of such property is more than or equal to Rs. 50 Lakhs.

Section has been amended to clarify that limit of Rs. 50 Lakh is to be considered per property and not per payment made by individual buyers.

Effective Date October 1, 2024

TDS on Payments to Contractors- Clarification [Sec. 194C]

Section 194C provides for TDS on payment to contractors @ 1%/2% whereas section 194J provides for TDS on fees for Professional or Technical Services @2%/10%.

Section 194C defines “work” to specify all activities which attract TDS under section 194C. However, there is no explicit exclusion from liability to deduct Tax under section 194C for services which require tax deduction under section 194J.

Therefore, some deductors are deducting tax under section 194C instead of 194J.

Now, fees for Professional and Technical services has been specifically **excluded** from the definition of “work” defined under section 194C to eliminate any confusion.

Effective Date October 1, 2024

Amendments in TCS provisions [Section 56(2)viib]

Existing provision

- A. Interest on Non collection of Tax or non deposit of collected tax is charged @1% per month or part thereof.
- B. Section 193 provides for deduction of tax at source on payment of any income to a resident by way of interest on securities.

Amended provision

A. Interest on Non collection of Tax or non deposit of collected tax will be charged @1.5% per month or part thereof.

Effective Date October 1, 2024

B. It is proposed to include following securities under Section 193:

- a. Floating rate Savings Bonds (FRSB) 2020
- b. Any other security as specified by the Government.

Effective Date April 1, 2025

TCS on Sale of Motor Vehicles [Sec. 206C(1F)]

Section 206C(1F) mandated tax collection @1 % from consideration of Rs 10 lakh or above received against sale of motor vehicle.

It is proposed to amend this section to also levy TCS on **any other goods** of value exceeding **Rs. 10 lakh**, as may be **notified by the Central Government** in this behalf.

These goods may be in the nature of luxury items.

Effective Date January 1, 2025

Setting aside of Section 144 Assessments by CIT(Appeals)

There is no provision in the Income Tax Act which empowers the CIT(A) to set aside the “Best Judgement Assessment” under section 144 made by Assessing Officer (A.O.)
CIT(A) has no Authority to direct the case back to A.O. for making fresh assessment.

However, due to huge pendency of the cases at CIT(A), it is proposed to give these powers to CIT (A).

This amendment is slated to be applicable to appellate orders passed by CIT(A) on or after October 1, 2024

Time Limit of Completion of Assessments, Reassessments & Recomputations

Particulars	Existing Provision	Amended Provision
Assessment Order u/s 143(3)/144 O	Assessment to be completed within 12 months from end of AY in which income was first assessable	Assessment to be completed within 12 months from end of FY in which ITR is filed in pursuance of order u/s 119(2)(b).
Fresh Assessment Order in pursuance of an appellate order u/s 250, 254, and revision order u/s 263 or 264 setting aside or cancelling assessment	Fresh Order to be passed before expiry of 12 months from the end of the FY in which the CIT(A) order u/s 250 or ITAT Order u/s 254 is received by PCIT/CCIT/PCIT/CIT or Revision order u/s 263 or 264 is passed by PCIT/CCIT/ PCIT/CIT as the case may be	It is proposed to add reference of 250 for disposal of cases which are proposed to be set aside by CIT(A) to the AO
Order of Assessment or Reassessment for any AY which stands revived u/s 153A(2) (pertaining to search matters)	To be completed within 1 year from the end of the month of such revival or within period specified u/s 153(8) or 153B(1) whichever is later	It is proposed to amend section 153(8) of the Act, to provide for timeline for passing order in case of revived assessment or reassessment as a consequence of annulment of block assessments with respect to search cases

Submission of Statements By Liaison Office of Non - residents in India [Section 285]

A non-resident person having a liaison office in India is required to prepare and deliver a statement in respect of activities undertaken during the financial year to its Jurisdictional Assessing Officer **within sixty days from the end of financial year as per provisions of section 285 of the Act.**

An amendment is proposed to modify the time limit under which the statement needs to be submitted by the non resident having liaison office in India. ***New limits to be prescribed.***

A new section 271GC is proposed to be inserted wherein penalty of Rs. 1,000 for every day for which the failure to furnish the statement continues if the period of failure does not exceed three months; and one lakh rupees in any other case (if the period exceeds three months).

Penalty levied can be waived if delay in submission is because of reasonable causes.

Rationalisation of Procedure In Relation To Assessee In Default [Sec 201, 206C]

Section 201 and section 206C of the Act provide that when a person does not deduct/ collect, or after so deducting/ collecting fails to pay the tax, he shall be deemed to be an **assessee in default**.

Currently, **no order** shall be made deeming any person to be **assessee in default** in case the payee is **a person resident in India**, after the expiry of **7 years** from the end of financial year in which payment is made or credit is given or tax was collectible.

No time limit was prescribed in case the payee is a non-resident.

Now, it is proposed to amend section 201(3) and insert new subsection (7A) in section 206C of the Act to provide that **no order** shall be made deeming any person to be **assessee in default** after the expiry of **6 years** from the end of the financial year in which payment is made or credit is given or tax was collectible. The aforesaid time limit shall apply both for resident and non-resident payees

Effective Date April 1, 2025

Other Amendments (1/2)

1. TDS & TCS Lower deduction certificate [Section 197, 206C]

Section 197/206C provides that payments on which tax is required to be deducted are eligible for certificate for deduction/collection at lower rate.

Currently, Section 194Q relating to TDS on purchase of goods and 206C(1H) relating to TCS on sale of goods are not covered under section 197/206C.

Now, It is proposed that Lower tax deduction/collection certificate can be issued in respect of **Section 194Q and Section 206C(1H)** transactions as well

Effective Date October 1, 2024

2. Insertion of time limit to file TDS/TCS correction statement [Section 200, 206C]

Section 200/206C states that a person may deliver correction statement for rectification of any mistake. However, there is no time limit for furnishing correction statements.

Now, it is proposed to amend section 200 and section 206C to provide that no correction statement shall be delivered after the expiry of **6 years** from the end of financial year in which the statement was delivered.

Effective Date April 1, 2025

Other Amendments(2/2)

3. Revision of time limit for penalty for failure to furnish statements [Section 271H]

Section 271H *inter alia* relates to penalty for failure to file TDS/TCS returns within the due date. No penalty is levied if the person has filed TDS/TCS statement before the expiry of **one year** from the due date of return.

To ensure better compliance, it is proposed that no penalty shall be levied if the person has filed the TDS/TCS statement before the expiry of period of **one month** from the due date of return

Effective Date April 1, 2025

4. Rationalisation of Prosecution proceedings under section 276B.

Section 276B provides for prosecution for failure to pay TDS to the credit of government. Now, Section 276B is proposed to be amended to provide exemption from prosecution to a person if such person deposits TDS in respect of a quarter at any time on or before the due date of filing the TDS return for that quarter.

Effective Date October 1, 2024

NEW INSERTIONS

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Capital Gains on Transfer of Shares Under Offer For Sale(OFS)

Background: Certain shareholders have been taking a position that transfer of shares (held by them since or before January 31, 2018) under Offer for Sale (OFS) in a IPO/FPO does not attract capital gains taxation since the **cost of acquisition** of such shares is indeterminable thus making the capital gains computation provisions fail.

Proposed Amendment:

For OFS shares, which are not listed on a recognized stock exchange as on the 31 Jan 2018 cost of acquisition (FMV) shall be arrived as under:

FMV on 31 Jan 2018 of OFS shares will be calculated as per below formula

Cost of acquisition x $\frac{\text{Cost Inflation index for FY 2017-18}}{\text{Cost Inflation index for year of acquisition or FY 2001-02, whichever is later}}$

Effective retrospectively from AY 2018-19 onwards

TDS on payment of salary, interest, bonus, commission to partners by Partnership Firm [Sec. 194T]

Section 194T is proposed to be inserted to bring payments to partners by partnership firms under the ambit of TDS. Currently, there is no section in the Income Tax Act that mandates TDS on payment to partners.

Threshold limit for TDS will be Rs. 20,000 aggregate payment in a year.

TDS Rate will be 10%

Effective Date April 1, 2025

Vivad Se Vishwas Scheme (VSVS), 2024.

It is proposed to introduce new VSVS Scheme to reduce the pendency of appeals at various forums such as CIT(a), ITAT, High Courts and Supreme Courts.

Will be effective from the date notified by CBDT.

Credit of TCS paid by Minor [Section 206C]

There is no provision in the Income Tax Act for allowing credit of TCS paid by the collectee to any other person other than collectee. A new provision is proposed to be inserted to allow such credit.

In case of a minor, TCS can be claimed by parents only if the Income of minor is also clubbed in the income of parents.

Effective Date January 1, 2025

Proposed Amendments in Goods and Service Tax (GST)

Effective 1st April 2024

[SLIDE 34 – 38]

GST Amendments (1/5)

No Tax on ENA for manufacture of alcoholic liquor for human consumption [Section 9(1) of CGST Act]

Un-denatured extra neutral alcohol [ENA] or rectified spirit used for manufacture of alcoholic liquor for human consumption has been specifically excluded from the levy of GST.

This has put to rest the long-standing demand of liquor industry regarding the confusion with respect to taxability of ENA/ Spirit.

Power not to recover Goods and Services Tax as a result of general practice [Section 11A of the CGST Act]

Section 11A inserted to empower the Government to regularize non-levy or short levy of GST where it is satisfied that such non-levy or short levy was a result of general practice

Availment of ITC post revocation of registration [Section 16(6) of the CGST Act]

Sub-section (6) inserted in Section 16 of the CGST Act to extend the time limit to avail eligible ITC on invoices or debit notes, by a taxpayer whose registration was cancelled, and later revoked. Such ITC can be availed in Form GSTR-3B latest by:

- a) earlier of 30th November of next FY or date of filing of annual return; or
- b) within 30 days of the order of revocation of cancellation, if revocation is beyond the timeline under a)

GST Amendments (2/5)

Time of Supply in case of RCM [Section 13(3) of CGST Act]

Seeks to amend sub-section (3) of section 13 of Central Goods and Services Tax Act, to specify the time of supply of service in cases where invoice is to be issued by the recipient **shall be the date of issue of invoice by the recipient**, in cases where invoice is to be issued by the recipient.

No ITC on tax paid under Section 74 [Section 17(5) of the CGST Act]

Section 17(5) has been amended to provide that ITC shall not be available on any tax paid in accordance with the provisions of section 74 in respect of any period up to FY 2023-24. Section 74 deals with non-payment, short payment, claiming of erroneous refund, availment of ITC by fraud etc.

Mandatory Monthly Filing of GSTR-7 [Section 16(6) of the CGST Act]

Return in FORM GSTR-7, is to be filed every month by registered persons who are required to deduct tax at source under section 51 of CGST Act, irrespective of whether any tax has been deducted during the said month or not.

Revocation of cancellation of registration shall be subject to Rules [Section 30(2) of the CGST Act]

Additional proviso has been inserted in Section 30(2) to provide that revocation of cancellation of registration shall be subject to such conditions and restrictions, as may be prescribed.

GST Amendments (3/5)

No refund of ITC where goods are subject to export duty [Section 13(3) of CGST Act]

Seeks to omit the second proviso to sub-section (3) and to provide that no refund of unutilised input tax credit or of integrated tax shall be allowed in cases of zero rated supply of goods where such goods are subjected to export duty

Merger of Section 73 and section 74 in newly introduced section 74A [Section 74(A) of the CGST Act]

Applicability of section 73 and Section 74 is confined to the period up to 31.03.2024. Section 73, and Section 74 determine tax liability in cases involving fraudulent availment/utilization of ITC, non- payment/short payment of GST. New section 74A is introduced to deal with these cases onwards from F.Y. 2024-25.

Time limit for availing ITC for Financial Years 2017-18, 2018-19, 2019-20 and 2020-21 [Section 16(5) of the CGST Act]

Time limit for availing ITC for F. Years 2017-18, 2018-19, 2019-20 and 2020-21 has been increased to 30th of November 2021 by adding sub-section (5) to Section 16 of the CGST Act. Such change is made effective from 1-July-2017

Maximum amount of pre-deposit before Appellate Authority [Section 30(2) of the CGST Act]

Pre-deposit for filing appeal before the GSTAT reduced from 20% to 10% of the tax demand
Maximum amount of pre-deposit for filing appeal before the Appellate Authority reduced to Rs. 20 crores from Rs. 25 crores and before the GSTAT reduced to Rs 20 crores from Rs 50 crores.

GST Amendments (4/5)

Penalty on E-commerce operators [Section 122(1B) of CGST Act]

Seeks to amend sub-section (1B) of section 122 of the Central Goods and Services Tax Act, to restrict the applicability of the said subsection to e-commerce operators, who are required to collect tax at source under section 52 of the said Act.

Section 122 1(B) provides the penalty for e-commerce operator in case it allows to supply the goods or services which are restricted under the section.

The said amendment is proposed to be made effective retrospectively from the October 1, 2023 when the said sub-section had come into force.

Conditional waiver of interest and penalty for Financial Years 2017-18, 2018-19 and 2019-20: [Section 128(A) of the CGST Act]

Seeks to provide for conditional waiver of interest and penalty in respect of demand notices issued under section 73 of the said Act for the F. Years 2017-18, 2018-19 and 2019-20, except for demand notices in respect of erroneous refund.

Further, it is proposed that in cases where interest and penalty have already been paid in respect of any demand for the said financial years, no refund shall be admissible for the same.

No GST on activity of apportionment of co-insurance premium [Schedule III of the CGST Act]

No GST Liability on following:

Co-insurance premium apportioned by lead insurer to the co-insurer for supply of insurance service by lead and co-insurer to the insured in coinsurance agreements and transactions of ceding commission/ reinsurance commission between insurer and reinsurer.

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GST Amendments (5/5)

Enable Transitional ITC for ISD [Section 140(7) of CGST Act]

Seeks to enable availment of transitional credit of eligible CENVAT credit on account of input services received by an Input Services Distributor prior to the appointed day, for which invoices were also received prior to the appointed date.

The said amendment is proposed to be made effective retrospectively from 1st day of July, 2017.

Redetermination of penalty in case of shifting from fraud to non-fraud cases [Section 75(2A) of the CGST Act]

Seeks to insert a new sub-section (2A) in section 75 of the Central Goods and Services Tax Act, so as to provide for redetermination of penalty demanded in a notice invoking penal provisions under the proposed section 74A(5)(ii) of the Act to re-determine penalty as per Section 74A(5)(i), in cases where charges of fraud, willful misstatement, or suppression of facts are not established.

Last Date for Anti Profiteering Authority [Section 171(2) of the CGST Act]

Seeks to empower the Government to notify the date from which Anti-Profiteering Authority shall not accept any application for anti-profiteering cases.

Maximum amount of pre-deposit before Appellate Authority [Section 20 of the IGST Act]

Seeks to reduce the maximum amount of pre-deposit payable for filing appeal before the Appellate Authority from Rs. 50 crores to Rs. 40 crores of integrated tax.

Further, it proposes to reduce the maximum amount payable as pre-deposit for filing appeal before the Appellate Tribunal from Rs. 100 crores to Rs. 40 crores of integrated tax



Thank You

**For any clarifications on this presentation
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