

Sep 2024

NEWSLETTER

TAX

- Income Tax
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Income Tax

1. Direct Tax Vivad Se Vishwas Scheme, 2024 (DTVSV Scheme 2024)

CBDT

Notification No. 103 and 104 /2024 dated 19.09.2024

Vide these notifications, CBDT has notified rules of DTVSV Scheme 2024. The DTVSV Scheme 2024 shall come into force on 1st October 2024.

DTVSV Scheme 2024 was announced in the Finance Act (No.2) of 2024 to settle outstanding appeals, writ petitions and special leave petitions in cases of income tax disputes before various judicial bodies including the Supreme Court, High Courts, ITAT, Commissioner (Appeals), and Joint Commissioner (Appeals).

It allows eligible taxpayers to settle their tax disputes by paying a specified portion of their outstanding dues.

The DTVSV Scheme 2024 provides for lesser settlement amounts for taxpayers who opt for the scheme on or before December 31, 2024 in comparison to those who opt thereafter.

Following forms are notified in the DTVSV Scheme 2024:

- Form-1: Form for filing declaration and Undertaking by the taxpayer
- Form-2: Form for Certificate to be issued by Designated Authority
- Form-3: Form for Intimation of payment by the taxpayer
- Form-4: Order for Full and Final Settlement of tax arrears by Designated Authority

Forms 1 and 3 shall be furnished electronically by the declarant. These Forms will be made available on the e-filing portal of Income Tax Department

Amount payable by the taxpayers under the Scheme:

S. No.	Particular	The amount payable on or before 31st Dec 24	The amount payable on or after 1st Jan 25
		Aggregate amount of disputed tax	
1			
a	Appeal filed after 31.01.2020 but on or before 22.07.2024	100 % of disputed tax	110 % of disputed tax
b	Appeal pending at same forum on or before 31.01.2020	110 % of disputed tax	120 % of disputed tax
		Aggregate amount of disputed Interest/Penalty/Fee	
2			
a	Appeal filed after 31.01.2020 but on or before 22.07.2024	25% of disputed interest/penalty/fee	30% of disputed interest/penalty/fee
b	Appeal pending at same forum on or before 31.01.2020	30% of disputed interest/penalty/fee	35% of disputed interest/penalty/fee

The intimation of payment is to be made in Form-3 and is to be furnished to the Designated Authority along with proof of withdrawal of appeal, objection, application, writ petition, special leave petition, or claim.

[Notification No. 103 and 104](#)

2. Extension of timeline for filing Tax Audit Report for the Assessment Year 2024-25

CBDT
Circular No. 10/2024 dated 29.09.2024

Vide this circular, CBDT has extended the due date for filing tax audit report for the Assessment Year 2024-25.

Original due date	Extended due date
September 30, 2024	October 7, 2024

[Circular No. 10](#)

Goods and Service Tax

1. Clarification regarding regularization of refund of IGST availed in contravention of rule 96(10) of CGST Rules, 2017, in cases where the exporters had imported certain inputs without payment of integrated taxes and compensation cess.

CBIC

Notification No. 233/27/2024 dated 10.09.2024

As per Rule 96(10) of the CGST Rules, 2017, An exporter needs to pay IGST and compensation cess on the imported inputs used in the production of export goods to be eligible for refund of IGST paid on export of Goods.

Issue under consideration was that if whether refund of integrated tax paid on exports of goods by a registered person can be given in a case where the registered person had initially imported inputs without payment of integrated tax and compensation cess but subsequently, at a later date, the said person has either paid the IGST and compensation cess, along with interest, on such imported inputs or is now willing to pay such IGST and compensation cess, along with interest.

Vide this notification, CBIC has clarified that that where the inputs were initially imported without payment of integrated tax and compensation cess but subsequently, IGST and compensation cess on such imported inputs are paid at a later date, along with interest, and the Bill of Entry in respect of the import of the said inputs is got reassessed through the jurisdictional Customs authorities to this effect, then the IGST, paid on exports of goods, refunded to the said exporter in such cases shall not be considered to be in contravention of rule 96(10) of CGST Rules, hence IGST refund will be given.

[Notification No. 233](#)

2. Clarification in regard to advertising services provided to foreign clients.

CBIC

Notification No. 230/24/2024 dated 10.09.2024

References have been received from the trade and industry requesting for clarification regarding advertising services being provided by Indian advertising companies/agencies to foreign entities with the help of media owners located in India, as some of the field formations are considering the place of supply of the said services as within India, thereby to treat then as intermediary services, denying the export benefits to such advertising companies.

Vide this notification, CBIC has clarified that the services of Advertising companies cannot be considered as “intermediary” and accordingly, the place of supply cannot be linked with the location of supplier of services in terms of section 13(8)(b) of the IGST Act.

However, there may be cases where the advertising company located in India merely acts as an agent of the foreign client in engaging with the media owner for providing media space to the foreign client. In such cases, the agreement/ contract for providing the media space and broadcast of the advertisement is directly between media owner and the foreign client. The media owner directly invoices the foreign client for providing the media space and broadcast of the advertisement and the foreign client remits the payment for the said services directly to the media owner. In this scenario, services of Advertising companies will be considered as “intermediary” and benefit of export of services will be denied.

[Notification No. 230](#)

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



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