

## INSIDE THE ISSUE:

- **Forthcoming Due Dates**
- **Overview -**
  - TCS under GST
- **Income Tax-**
  - Taxability of GIFTS for Individuals/HUF
- **Goods and Services Tax-**
  - Trading of Priority Sector Lending Certificates attracts 12% GST
  - Govt. extends due date for filing of GSTR-1 for the period of July, 2017 to Sep. 2018 till 31.10.2018
  - Date of filing TRAN-1 extended to March 31, 2019 for taxpayers who couldn't file it due to technical glitches
  - Due date of filing GSTR-3B for newly migrated taxpayers extended to December 31,2018
- **Companies Law**
  - MCA has extended due date of filing of form BEN-2
  - MCA has amended Companies (Prospectus and Allotment of Securities) Rules, 2014
  - MCA has issued clarification for filing declaration by beneficial owner in 'Form No. BEN-1' under Companies Act
- **RBI**
  - RBI hitting on Government owned NBFCs- Withdrawing Exemptions

## I. CHART OF FORTHCOMING DUE DATES: -

### a) GST

Month	GSTR -1 Monthly	GSTR -4 Composition	GSTR -3B	GSTR -1 Quarterly
Oct 2018	11 <sup>th</sup>	18 <sup>th</sup>	20 <sup>th</sup>	31 <sup>st</sup>

### b) Others

Month	TDS Payment	ESIC Payment	P.F. Payment	TDS Return	Income Tax Return*
Oct 2018	7 <sup>th</sup>	15 <sup>th</sup>	15 <sup>th</sup>	31 <sup>st</sup>	31 <sup>st</sup>

\*For Corporate Assessee and for those to whom Tax Audit is applicable.

## II. OVERVIEW:

### o TCS UNDER GST

Tax Collection at Source (TCS) has similarities with TDS. TCS refers to tax which is collected by the electronic commerce operator when a supplier supplies some goods or services through its portal and the payment for that supply is collected by the electronic commerce operator.

After deferring the provisions related to TDS & TCS since the implementation of GST, Government has, vide **Notification No. 50/2018 - Central Tax dated September 13, 2018** and **Notification No. 51/2018 - Central Tax dated September 13, 2018**, appointed 1st October, 2018 as the date from which the said provisions shall be made applicable.

#### WHO ARE LIABLE TO COLLECT TCS UNDER GST

- Operators who own, operate and manage e-commerce platforms are liable to collect TCS
- Exceptions to the TCS provisions
  - i. Hotel accommodation/clubs (unregistered suppliers)

- ii. Transportation of passengers – radio taxi, motor cab or motorcycle
- iii. Housekeeping services like plumbing, carpentry etc. (unregistered suppliers)

### **WHEN TCS IS TO BE COLLECTED**

- TCS will be collected by e-commerce operators while making a payment to the vendor.
- TCS at 1% will be collected, i.e 0.5 % under CGST and 0.5% under SGST

### **REGISTRATION**

- The e-commerce operator liable to collect TCS have to compulsorily register under GST and there is no threshold limit exemption for it.
- The sellers supplying goods through the online portal of e-commerce players are also mandatorily required to get registered under GST except those who make supplies notified under section 9 (5) of CGST Act.
- Suppliers of services making a supply through an e-commerce platform are exempt from registration if their aggregate turnover is less than Rs 20 Lakhs (assuming they do not make inter-state supplies).
- An e-commerce company must register itself in GST in every state it supplies goods or services to.

### **DUE DATE FOR DEPOSITING TCS**

- TCS will be deducted during the month in which the supply is made.
- To be deposited within 10 days from the end of the month of supply to the credit of the government.

### **FORM FOR FILING TCS RETURNS**

E-commerce operators have to file GSTR-8 by 10th of the next month in which the tax was collected. GSTR 8 cannot be revised once it is filed.

### **CLAIMING TCS CREDIT**

The details submitted by the operators in GSTR 8 will be available to all the suppliers in GSTR 2A. The supplies will be available GSTR 2A after the due date of filing GSTR-

8. The tax collected will be reflected in the electronic cash ledger of the respective suppliers. The suppliers can claim the credit accordingly after matching and reconciling their supplies with the details in GSTR 2A.

### **IMPACT OF TCS PROVISIONS**

The e-commerce companies would need to quickly gear up their ERP systems to comply with these provisions from 1st October. With audit report as well being notified, the industry would . now really need to buckle up  
Moreover, the working capital of the suppliers selling through an e-commerce operator will be blocked until they file their return and claim the excess taxes paid

## **III. INCOME TAX:**

### **o Taxability of GIFTS for Individuals/HUFs**

If an individual/Huf receives from any person or persons any gift, exceeding Rs. 50000 in any previous year, as per income tax laws, the aggregate amount shall be taxable as Income From Other Sources in the hands of individual or HUF under section 56.

**The gift can be the following:**

#### **1. Gift Any sum of money (without Consideration) -**

if the aggregate amount of money received in any previous year is more than Rs 50,000, the entire amount received shall be taxable as income from other source

#### **2. Gift of Any immovable property-**

Without Consideration: the stamp duty value of which exceeds fifty thousand rupees, the stamp duty value of such property shall be taxable as income from other source. Or,

For a consideration which is less than the stamp duty value of the property by an amount exceeding fifty thousand rupees, the stamp duty value of such property as exceeds such consideration shall be taxable as income from other source.

However w.e.f. A.Y. 2019-20, the above provision has been amended which is as follows:

For a consideration , the stamp duty value of which exceeds 105 percent of the consideration and the difference between stamp duty and consideration exceeds Rs 50000, than the difference amount between stamp duty and consideration shall be taxable as income from other source.

It should be noted that, that where the date of the agreement fixing the amount of consideration for the transfer of immovable property and the date of registration are not the same, the stamp duty value on the date of the agreement may be taken for the

purposes provided that the amount of consideration for the said immovable property, or a part thereof, has been paid by any mode other than cash on or before the date of the agreement for the transfer of such immovable property.

3. Any property (other than immovable property):

without consideration, the aggregate fair market value of which exceeds fifty thousand rupees, the whole of the aggregate fair market value of such property shall be taxable as income from other source. Or,

For a consideration which is less than the aggregate fair market value of the property by an amount exceeding fifty thousand rupees, the aggregate fair market value of such property as exceeds such consideration shall be taxable as income from other source.

### **Gifts received From Relatives**

As per the Income tax act, the sum of money received from any of your relatives are fully exempt from tax. Here the “relatives” term defines by the Income Tax act as follows :

- Spouse of the individual
- Brother or sister of the individual
- Brother or sister of the spouse of the individual
- Brother or sister of either of the parents of the individual
- Any lineal ascendant or descendant of the individual
- Any lineal ascendant or descendant of the spouse of the individual
- In case of a Hindu undivided family, any member thereof;

### **Marriage Gifts**

One very happy feature of the provision of taxation of gifts is that any gift received from any person on the occasion of the marriage of the gift’s recipient would not be liable to income tax. There is no monetary limit attached to this exemption.

### **Special Tax Exempt gifts**

The following list of gifts are fully exempted from Tax whether the it is received as Cash, or any other form of the material doesn’t affect the exemption.

1. Gift received under a Will or by way of inheritance
2. Gift in contemplation of death of the donor; Gift from any local authority
3. Gift from any fund or foundation or university or other educational institution or hospital or any trust or any institution referred to in Section 10(23C)
4. Gift from any trust or institution, which is registered as a public charitable trust or institution under Section 12AA/12A
5. on the occasion of the marriage of the individual
6. by way of transaction not regarded as transfer under of section 47.
7. from an individual by a trust created or established solely for the benefit of relative of the individual.

#### IV. GOODS & SERVICE TAX

- **Trading of Priority Sector Lending Certificates attracts 12% GST**

CIRCULAR NO. 62/36/2018-GST Dated 12.9.2018

The CBIC has clarified that 12% GST would be applicable on trading of Priority Sector Lending Certificates. It has also clarified that GST on PLSCs for the period July 1, 2017 to May 27, 2018 will be paid by the seller bank on forward charge basis.

- **Govt. extends due date for filing of GSTR-1 for the period of July, 2017 to Sep. 2018 till 31.10.2018**

Notification No.s 43/2018 AND 44/2018 Central Tax Dated 10-09-2018

The Govt. has extended the due dates for filing of GSTR-1 for all taxpayers for the period July, 2017 to September, 2018 till October 31, 2018

- **Date of filing TRAN-1 extended to March 31, 2019 for taxpayers who couldn't file it due to technical glitches**

Notification No 48/2018-Central Tax Dated 10-09-2018

The Govt. has notified Central GST (Ninth Amendment) Rules, 2018 wherein due date of filing Form GST TRAN-1 has been extended to March 31, 2019 for taxpayers who couldn't file it due to technical glitches on the GST portal.

- **Due date of filing GSTR-3B for newly migrated taxpayers extended to December 31, 2018**

Notification No. 45/2018, 46/2018 and 47/2018 - CENTRAL TAX dated 10-09-2018

The Govt. has extended the due date of filing GSTR-3B for newly migrated taxpayers to December 31, 2018 for the period July, 2017 to November 2018.

#### V. COMPANIES LAW

- **MCA has extended due date of filing of form BEN-2**

General Circular No. 07/2018 dated 6-9-2018

The Ministry of Corporate Affairs had received server representations regarding extension of the last date for filing of e-Form BEN-2 without additional fees on account of 2 without additional fees on account of companies (significant beneficial owners) rules, 2018. The matter has been examined and it has been stated that the time limit for filing the BEN-2 form would be 30 days from the date of deployment of BEN-2 e form on the MCA-

21 portal and no additional fee shall be levied if the same is filed within 30 days from the date of filing of the said e-form.

**o MCA has amended Companies (Prospectus and Allotment of Securities) Rules, 2014**

The Ministry of Corporate Affairs (MCA) has amended the Companies (Prospectus and Allotment of Securities) Rules, 2014 wherein it has made it mandatory for all Unlisted Public Companies to issue the securities only in dematerialized form and to facilitate dematerialization of all its existing securities in accordance with provisions of the Depositories Act, 1996 and regulations made thereunder.

**o MCA has issued clarification for filing declaration by beneficial owner in 'Form No. BEN-1' under Companies Act**

General Circular No. 08/2018, Dated 10-9-2018

The Ministry of Corporate Affairs had received representations from stakeholders expressing certain difficulties in filing declaration in Form No. BEN-1 in respect of Companies (Significant Beneficial Owners) Rules, 2018. Accordingly the matter has been examined and it has been decided that the Form No. BEN-1 would be revised and a revised form no. BEN-1 would be notified shortly.

## **VI. RBI**

**o RBI hitting on Government owned NBFCs - Withdrawing Exemptions!**

Government owned companies always reeled in many exemptions from provisions of NBFC regulations. To bring government NBFCs on equal footing with non-government NBFCs (or private NBFCs), RBI vide notification no. DNBR (PD) CC.No.092/03.10.001/2017-18 dated May 31, 2018 withdraws certain exemption granted to government NBFCs with respect to compliance.

RBI in its circular has specified the timelines to meet the norms on capital adequacy, asset classification, maintenance of reserve fund and provisioning requirements, corporate governance framework and fair practice code.

Non-government NBFCs have to maintain a minimum Capital to Risk Assets Ratio (CRAR) of 15 per cent, if Tier-1 capital is 10 per cent. By RBI's notification, government NBFCs have to over the next four years raise their CRAR to this level, too, with Tier-1 capital at 10 per cent by March 31, 2022.

The government NBFCs will now have to comply with provisioning norms including treatment of income recognition, provisioning of non-performing assets and implementation of corporate governance frameworks in line with non- government NBFCs and the fair practice code *by the end of this financial year.*

Further, government NBFCs will have to maintain a minimum of 15 per cent of their outstanding deposits, in compliance with RBI's existing statutory provisions. They may reach this minimum level by increasing the provisioning by five percentage points every year between financial year 2019 and financial year 2022 to comply with provision of section 45 IB of RBI Act, 1934.

It shall also be required to create a reserve fund and transfer therein a sum not less than 20 % of its net profit every year as disclosed in the profit and loss account and before any dividend is declared to comply with Section 45 IC of the RBI Act, 1934 *from the end of this financial year.*

Further, the government NBFCs shall be required to obtain minimum investment grade for acceptance of public deposits from the end of this financial year. A Government NBFC-D having investment grade credit rating can accept deposits only up to 1.5 times of its Net Operating Fund. Government NBFCs holding deposits in excess of the limit shall not access fresh deposits or renew existing ones till they conform to the limit, the existing deposits will be allowed to run off till maturity. All other directions of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 shall be applicable from Balance Sheet dated March 31, 2019.

NBFCs that were set up for catering to specific sectors may request RBI for exemptions, if any.



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