



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

SUPPLEMENT EXECUTIVE PROGRAMME (NEW SYLLABUS)

for

December, 2020 Examination

TAX LAWS
(PART I - DIRECT TAX)

MODULE 1

PAPER 4

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EXECUTIVE PROGRAMME

(NEW SYLLABUS)

SUPPLEMENT

FOR

TAX LAWS

(Part I - Direct Tax)

(Relevant for Students appearing in December, 2020 Examination)

MODULE 1- PAPER 4

Students appearing in December, 2020 Examination shall note the following:

1. For Direct taxes, Finance Act, 2019 is applicable.
2. Applicable Assessment year is 2020-21 (Previous Year 2019-20).
3. For Indirect Taxes: Goods and Services Tax 'GST' & Customs Law is applicable for Executive Programme (New Syllabus)

Students are also required to update themselves on all the relevant Rules, Notifications, Circulars, Clarifications, etc. issued by the CBDT, CBIC & Central Government, on or before six months prior to the date of the examination.

Note: The Finance Act, 2019 i.e. Assessment year is 2020-21 (Previous Year 2019-20) is applicable for Direct Tax Part – I for both June 2020 and December 2020 examinations (Which is merged now) . Therefore, the students are advised to refer the study material (i.e. Study material relevant June 2020) only for Direct Tax Part – I (based on Finance Act, 2019) for December 2020 exam. The same is available at ICSI website weblink:

https://www.icsi.edu/media/webmodules/TAX_LAWS_june2020.pdf

Sr. No.	Amendments to Regulations/Rules/Act/Circular/Notification	Lesson No.
1.	<p>Income-tax Deduction from salaries during the Financial Year 2019-20 under section 192 of the Income-tax Act, 1961 [Circular No. 4/2020 Dated 16th January, 2020]</p> <p>The Circular contains the rates of deduction of income-tax from the payment of income chargeable under the head "Salaries" during the financial year 2019-20 and explains certain related provisions of the Act and Income-tax Rules, 1962.</p> <p>https://www.incometaxindia.gov.in/communications/circular/circular_no_4_2020.pdf</p>	Lesson 9 Procedural Compliance
2.	<p>CBDT - e-Assessment Scheme, 2019</p> <p>The National E-Assessment center has extended the time limit for filing of responses to notices issued under Section 142(1) of the Income Tax Act, 1961 under the e-assessment scheme 2019. For the notices issued up to December 24, 2019, the last date to file the response has been extended up to January 10, 2020.</p> <p>With a view to provide relief to the taxpayers and tax professionals and to facilitate compliance with respect to e-Assessment proceedings under E-assessment Scheme, 2019, the time limit for filing of the response to notices under section 142(1) of the Income-tax Act issued up to 24.12.2019 by the National e-Assessment Centre is extended up to 10.01.2020 or time given in such notices, whichever is later.</p> <p>https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/369/Extension_of_time_limit_for_filing_response_24_12_19.pdf</p>	Lesson 9 Procedural Compliance
3.	<p>Notification No. 8/2020 Dated 29th January, 2020</p> <p>The Central Board of Direct Taxes hereby makes the Income-tax (3rd Amendment) Rules, 2020 which shall come into force on the date of their publication in the Official Gazette.</p> <p>In the Income-tax Rules, 1962 (i) after rule 6ABB, the following rule shall be inserted and shall be deemed to have been inserted from the 1st day of September, 2019, namely:-</p> <p>“Other electronic modes</p> <p>6ABBA. The following shall be the other electronic modes for the purposes of clause (d) of first proviso to section 13A, clause (f) of sub-section (8) of section 35AD, sub-section (3), sub-section (3A), proviso to subsection (3A) and sub-section (4) of section 40A, second proviso to clause (1) of Section 43, sub-section (4) of section 43CA, proviso to sub-section (1) of section 44AD, second proviso to sub-section (1) of section 50C, second proviso to sub-clause (b) of clause (x) of sub-section (2) of section 56, clause (b) of first proviso of clause (i) of Explanation to section 80JJAA, section 269SS, section 269ST and section 269T, namely:-</p> <p>(a) Credit Card;</p> <p>(b) Debit Card;</p> <p>(c) Net Banking;</p> <p>(d) IMPS (Immediate Payment Service);</p>	Lesson 4 Part III PGBP

	<p>(e) UPI (Unified Payment Interface); (f) RTGS (Real Time Gross Settlement); (g) NEFT (National Electronic Funds Transfer), and (h) BHIM (Bharat Interface for Money) Aadhar Pay”;</p> <p>Accordingly, rule 6ABBA specify other electronic mode of payment as specify above for the purpose of various section specified above._ https://www.incometaxindia.gov.in/communications/notification/notification_08_2020.pdf</p>	
4.	<p>Notification No. 7/2020 Dated 28th January, 2020</p> <p>M/s. Institute of Pesticide Formulation Technology, Gurugram (PAN: AAATI0389Q) has been approved by the Central Government for the purpose of clause (ii) of sub-section (1) of section 35 of the Income-tax Act, 1961 (said Act), read with Rules 5C and 5D of the Income-tax Rules, 1962 (said Rules), from Assessment year 2019-2020 and onwards under the category of “Research Association” subject to the certain conditions.</p> <p>Accordingly, any donation made to M/s. Institute of Pesticide Formulation Technology for conducting scientific research will qualify for deduction u/s 35(1)(ii) of the Income Tax Act, 1961.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_07_2020.pdf</p>	Lesson 4 Part III PGBP
5.	<p>CBDT has issued a Procedure of PAN allotment through Common Application Form (CAF) along with registration of Foreign Portfolio Investors (FPIs) with SEBI under the Department of Economic Affairs and KYC for opening Bank and Demat Account [Notification No. 11/2020 Dated 7th February, 2020]</p> <p>A Common Application Form (CAF) for the purpose of registration, the opening of bank and Demat accounts and application for Permanent Account Number (PAN) has been notified for the Foreign Portfolio Investors (FPIs) in India by the Ministry of Finance, Department of Economic Affairs (SEBI). Application for allotment of Permanent Account Number (PAN) will be uploaded in CAF as specified by the Ministry of Finance, Department of Economic Affairs (SEBI). After due examination and generation of FPI Registration certificate, SEBI will forward data in form 49AA to prescribed Income Tax Authority through the signature of Authorised Signatories of its Designated Depository Participants (DDPs).</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_11_2020.pdf</p>	Lesson 9 Procedural Compliance
6.	<p>Notification No. 10/2020 Dated 12th February, 2020</p> <p>The Central Board of Direct Taxes hereby makes the Income-tax (4th Amendment) Rules, 2020 which shall come into force on the 1st day of April, 2020.</p> <p>In the Income-tax Rules, 1962, after rule 21AD, the rule 21AE and 21AF has been inserted, namely:</p>	Lesson 2 Basic concepts of Income Tax & Lesson 8 Classification

	<p>“21AE. Exercise of option under sub-section (5) of section 115BAA - The option to be exercised in accordance with the provisions of sub-section (5) of section 115BAA by a person, being a domestic company, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2020, shall be in Form No. 10-IC.</p> <p>21AF. Exercise of option under sub-section (7) of section 115BAB. The option to be exercised in accordance with the provisions of sub-section (7) of section 115BAB by a person, being a domestic company, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2020, shall be in Form No. 10-ID.</p> <p>Accordingly, the domestic company opting for concessional rate of tax as specified in section 115BAA / 115BAB shall filed Form No. 10-IC / 10-ID electronically as specified in rule 21AE / 21AF of the Income Tax Rules, 1962.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_10_2020.pdf</p>	<p>and Tax Incidence on Companies</p>
<p>7.</p>	<p>Notification No. 12/2020 Dated 17th February, 2020</p> <p>The Central Government, hereby makes the Income tax Amendment (6th Amendment), Rules, 2020 which shall come into force from the 1st day of April, 2020.</p> <p>In the Income-tax Rules, 1962, in rule 11UAC, in the Explanation, for clause (b), the following clause shall be substituted, namely:</p> <p>‘(b) “unauthorised colony” means a colony or development comprising of a contiguous area, where no permission has been obtained for approval of layout plan or building plans and has been identified for regularisation of such colony in pursuance to the notification number S.O. 683(E), dated the 24th March, 2008, of the Delhi Development Authority.</p> <p>Accordingly, section 56(2)(x) shall not apply to immovable property being land or building or both, received by a resident of an unauthorised colony in the National Capital Territory of Delhi where the Central Government by notification in the Official Gazettee, regularised the transactions of such immovable property based on the latest Power of Attorney, Agreement to Sale, Will, possession letter and other documents including documents evidencing payment of consideration for conferring or recognising right of ownership or transfer or mortgage in regard to such immovable property in favour of such resident.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_12_2020.pdf</p>	<p>Lesson 4 Part V Income from Other Sources</p>

<p>8.</p>	<p>Corrigendum to Circular No. 4 of 2020 dated 20th January,2020 regarding Income-Tax Deduction from Salaries during the Financial Year 2019-2020 under Section 192 of the Income-Tax Act, 1961</p> <p>In Circular No.04/2020 dated 16th January, 2020 on the above mentioned subject, it is to state that Para 3.1 under heading "Method of Tax Collection" is modified as below:</p> <p>For sentence 3 of Para 3.1:“No tax, however, will be required to be deducted at source in a case unless the estimated salary income including the value of perquisites, for the Financial Year exceeds Rs 2,50,000 or Rs 3,00,000 or Rs 5,00,000, as the case may be, depending upon the age of the employee.”</p> <p>May be read as: “No tax, however, will be required to be deducted at source in a case unless the estimated salary income including the value of perquisites is taxable after giving effect to the exemptions, deductions and relief as applicable.”</p> <p>Accordingly, as per corrigendum issued, the TDS on salary is required to be deducted if estimated salary income including the value of perquisites is taxable after giving effect to the exemptions, deductions and relief as applicable.</p> <p>https://www.incometaxindia.gov.in/communications/circular/corrignedum_cir4_2020.pdf</p>	<p>Lesson 9 Procedural Compliance</p>
<p>9.</p>	<p>Circular No. 8 of 2020 dated 13th April, 2020 -Clarification regarding short deduction of TDS/TCS due to increase in rates of surcharge by Finance (No.2) Act.</p> <p>The Finance Act, 2019 provided for increase in the rate of surcharge. The enhanced rates of surcharge were applicable from the 1st day of April, 2019 for previous year 2019-20 relevant to assessment year 2020-21. Accordingly, TDS/TCS under various provisions of the Income-tax Act is required to be deducted / collected after taking into account the enhanced rate of surcharge.</p> <p>Several cases have come to the notice of the Central Government wherein deductor / collectors were held to be an assessee in default for short deduction of TDS/short collection of TCS in cases where final transaction was done before laying of the Finance (No.2) Bill, 2019 in the Parliament, i.e. 5th July, 2019. Since the transaction was completed before the rates of enhanced surcharge were announced and the concerned deductee/payee is required to furnish their Income-tax return for the relevant assessment year, it has been requested that in such cases, deductor or collector should not be held to be an assessee in default under section 201 of the Income-tax Act.</p> <p>The Board clarified that a person responsible for deduction/collection of tax under any provision of the Income-tax Act will not be considered to be an assessee in default in respect of transactions where:</p> <p>a) such transaction has been completed and entire payment has been</p>	<p>Lesson 9 Procedural Compliance</p>

	<p>made to the deductee/payee on or before 5th July, 2019 and there is no subsequent transaction between the deductor/collector and the deductee/payee in the financial year 2019-20 from which the shortfall of tax could have been deducted/collected by the deductor/collector;</p> <p>b) TDS has been deducted or TCS has been collected by such deductor/collector on such sum as per the rates in force as per the provisions prior to the enactment of the Act;</p> <p>c) such tax deducted or collected has been deposited in the account of Central Government by the deductor/collector on or before the due date of depositing the same;</p> <p>d) TDS/TCS statement has been furnished by such person on before the due date of filing of the said statement.</p> <p>The above relaxation does not absolve the deductee/payee to pay proper tax including enhanced surcharge by advance tax or self-assessment tax and file return of income after paying such tax.</p> <p>https://www.incometaxindia.gov.in/communications/circular/circular_8_2_020.pdf</p>	
10.	<p>Clarifications in respect of prescribed electronic modes under section 269SU of the Income-tax Act, 1961 [Circular No. 12 dated 20th May, 2020]</p> <p>In furtherance to the declared policy objective of the Government to encourage digital transactions and move towards a less-cash economy, a new provision namely Section 269SU was inserted vide the Finance (No.2) Act 2019 as per which person carrying on business and having sales/turnover/gross receipts from business of more than Rs 50 crores in the immediately preceding previous year to mandatorily provide facilities for accepting payments through prescribed electronic modes.</p> <p>It is hereby further clarified that the provisions of section 269SU of the Act shall not be applicable to a specified person having only B2B transactions (i.e. no transaction with retail customer/consumer) if at least 95% of aggregate of all amounts received during the previous year, including amount received for sales, turnover or gross receipts, are by any mode other than cash.</p> <p>https://www.incometaxindia.gov.in/communications/circular/circular_no_12_2020.pdf</p>	Lesson 4 Part III PGBP
11.	<p>Notification No. 24/2020 [Dated 8th May, 2020]</p> <p>The Central Government hereby notifies “SHRI RAM JANMABHOOMI TEERTH KSHETRA” (PAN: AAZTS6197B) to be place of historic importance and a place of public worship of renown for the purposes of the section 80(G)(2)(b) from the year F.Y. 2020-2021, relevant to the Assessment Year 2021-2022.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_24_2020.pdf</p>	Lesson 6 Deduction from Gross Total Income & Rebate and Relief

12.	<p>Clarifications in respect of prescribed electronic modes under section 269SU of the Income-tax Act, 1961 [Circular No. 12 dated May 20, 2020]</p> <p>To encourage digital transactions and move towards a less-cash economy, a new provision namely Section 269SU was inserted in the Income-tax Act, 1961 ("the Act"), vide the Finance (No.2) Act 2019 which requires every person carrying on business and having sales/turnover/gross receipts from business of more than Rs 50 Crores ("specified person") in the immediately preceding previous year to mandatorily provide facilities for accepting payments through prescribed electronic modes.</p> <p>The following were notified vide notification no. 105/2019 dated 30.12.2019 as prescribed electronic modes:</p> <ul style="list-style-type: none"> (i) Debit Card powered by RuPay; (ii) Unified Payments Interface (UPI) (BHIM-UPI); and (iii) Unified Payments Interface Quick Response Code (UPI QR Code) (BHIM-UPI QR Code) <p>Representations have been received stating that the above requirement of mandatory facility for payments through the prescribed electronic modes is generally applicable in B2C (Business to Consumer) businesses, which directly deal with retail customers. Moreover, since the prescribed electronic modes have a maximum payment limit per transaction or per day they are not so relevant to B2B (Business to Business) businesses, which generally receive large payments through other electronic modes of payment such as NEFT or RTGS. Mandating such businesses to provide the facility for accepting payments through prescribed electronic modes would cause administrative inconvenience and impose additional costs.</p> <p>In view of the above, it is hereby clarified that the provisions of section 269SU of the Act shall not be applicable to a specified person having only B2B transactions (i.e. no transaction with retail customer/consumer) if at least 95% of aggregate of all amounts received during the previous year, including amount received for sales, turnover or gross receipts, are by any mode other than cash.</p> <p>Accordingly, providing facility for accepting payments through above electronic mode is not applicable to a specified person having B2B transactions if 95% of amount received are by any mode other than cash.</p> <p>https://incometaxindia.gov.in/communications/circular/circular_no_12_2020.pdf</p>	Lesson 4 Part III PGBP
13.	<p>Notification No. 26/2020 [Dated May 21, 2020]</p> <p>The Central Government hereby notifies, for the purposes of clause (46) of section 10, 'Kerala Cooperative Development and Welfare Fund Board', Trivandrum (PAN AACTT3875A), a Board constituted by the Government of Kerala, in respect of the following specified income arising to that Board, namely:</p> <ul style="list-style-type: none"> a) Membership Fees; b) Annual Renewal Fees; c) Risk Fund Contribution and Assistance; and d) Interest earned on (a) to (c) above. 	Lesson 3 Incomes which do not form part of Total Income

	<p>This notification shall be effective subject to the conditions that Kerala Cooperative Development and Welfare Fund Board,-</p> <ol style="list-style-type: none"> a) shall not engage in any commercial activity; b) activities and the nature of the specified income shall remain unchanged throughout the financial years; c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961; and d) shall file the audit report along with return, duly verified by the accountant as provided in explanation to section 288(2) of the Income-tax Act, 1961 along with a certificate from the chartered accountant that the above conditions are satisfied. <p>This notification shall apply with respect to the assessment years 2019-2020, 2020-2021, 2021-2022, 2022-2023 and 2023-2024.</p> <p>Accordingly, the Kerala Cooperative Development and Welfare Fund Board has been notified by the Central Government for the purpose of Section 10(46) and is eligible for exemption under Income Tax Act, 1961 subject to conditions as mentioned above.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_26_2020.pdf</p>	
14.	<p>Notification No. 27/2020 [Dated May 27, 2020]</p> <p>The Central Government hereby notifies, for the purposes of clause (46) of section 10, ‘‘Cochin Special Economic Zone Authority’’, Kochi (PAN AAAGC0659L), a authority constituted by the Government of India, in respect of the following specified income arising to that Authority, namely:</p> <ol style="list-style-type: none"> a. Lease rent (charged as per Government prescribed rate); b. Interest from banks on RDRs; c. Receipts from I-Card and permit fee; d. Allotment Fee in respect of Standard Design Factories (SDF); e. Auction/Bid amount in respect of Plots/Buildings which fall vacant; f. Transfer charges in respect of Plot/Building; g. Fee for issue of Form-I for exemption of Building Plans; h. Processing fee for approval of Building Plans; i. Usage charges from Service provided; j. License fee for allotment of Staff Quarters to the Staff; k. Integrated Water Management Systems (IWMS) (Water Treatment Plant (WTP), Common Effluent Treatment Plant (CETP), Incinerator, Biogas Plant) charges/fees/fine etc.; l. Power Distribution Business; and m. From the sale of miscellaneous scrap/waste. <p>This notification shall be effective subject to the conditions that Cochin Special Economic Zone Authority, Kochi,-</p> <ol style="list-style-type: none"> (a) shall not engage in any commercial activity; (b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961. (d) Shall file the audit report along with the return, duly verified by the accountant 	<p>Lesson 3</p> <p>Incomes which do not form part of Total Income</p>

	<p>as provided in explanation to section 288 (2) of the Income-tax Act, 1961 along with a certificate from the chartered accountant that the above conditions are satisfied.</p> <p>This notification shall be deemed to have been applied for the assessment years 2018-2019 and 2019-2020 and shall apply with respect to the assessment years 2020-2021, 2021-2022 and 2022-2023.</p> <p>Accordingly, the Cochin Special Economic Zone Authority has been notified by the Central Government for the purpose of Section 10(46) and is eligible for exemption under Income Tax Act, 1961 subject to conditions as mentioned above.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_27_2020.pdf</p>	
15.	<p>Notification No. 28/2020 [Dated May 27, 2020]</p> <p>The Central Government hereby notifies, for the purposes of clause (46) of section 10, ‘‘Uttarakhand Environment Protection & Pollution Control Board’, Dehradun(PAN AAALU0160D), a Board constituted by the Government of Uttarakhand, in respect of the following specified income arising to that Board, namely:</p> <ul style="list-style-type: none"> (a) consent fee; (b) no objection certificate fee; (c) bio medical waste fee; (d) hazardous fee; (e) stack/analysis fee; (f) bank guarantee forfeited; (g) income against RTI application charges; (h) reimbursement of the expense received from Central Pollution Control Board towards National Air Monitoring Programmes; (i) monitoring fees; (j) interest from savings accounts & FDRs; (k) public hearing fee; (l) interest from house loan advance to staff; and (m) income by sale of old scrap items and tender fee etc. <p>This notification shall be effective subject to the conditions that Uttarakhand Environment Protection and Pollution Control Board,-</p> <ul style="list-style-type: none"> (a) shall not engage in any commercial activity; (b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961. (d) shall file the Audit report along with the Return, duly verified by the accountant as provided in explanation to section 288(2) of the Income-tax Act, 1961 along with a certificate from the chartered accountant that the above conditions are satisfied. <p>This notification shall apply with respect to the assessment years 2020-2021, 2021-2022, 2022-2023, 2023-2024 and 2024-2025.</p>	<p>Lesson 3</p> <p>Incomes which do not form part of Total Income</p>

	<p>Accordingly, the Uttarakhand Environment Protection & Pollution Control Board has been notified by the Central Government for the purpose of Section 10(46) and is eligible for exemption under Income Tax Act, 1961 subject to conditions as mentioned above.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_28_2020.pdf</p>															
16.	<p>Notification No. 30/2020 [Dated May 28, 2020]</p> <p>The Central Board of Direct Taxes hereby makes the Income-tax (11th Amendment) Rules, 2020 which shall come into force from the 1st day of June, 2020.</p> <p>(i) rule 31AB shall be omitted;</p> <p>(ii) after rule 114H, the rule I shall be inserted, namely:-</p> <p>“Annual Information Statement</p> <p>The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) or any person authorised by him shall, under section 285BB of the Income-tax Act,1961, upload in the registered account of the assessee an annual information statement in Form No. 26AS containing the information specified in column (2) of the table below, which is in his possession within three months from the end of the month in which the information is received by him:</p> <table border="1" data-bbox="250 961 1049 1276"> <thead> <tr> <th>Sl. No</th> <th>Nature of information</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td>Information relating to tax deducted or collected at source</td> </tr> <tr> <td>(ii)</td> <td>Information relating to specified financial transaction</td> </tr> <tr> <td>(iii)</td> <td>Information relating to payment of taxes</td> </tr> <tr> <td>(iv)</td> <td>Information relating to demand and refund</td> </tr> <tr> <td>(v)</td> <td>Information relating to pending proceedings</td> </tr> <tr> <td>(vi)</td> <td>Information relating to completed proceedings</td> </tr> </tbody> </table> <p>The Board may also authorise the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) or any person authorised by him to upload the information received from any officer, authority or body performing any function under any law or the information received under an agreement referred to in section 90 or section 90A of the Income-tax Act,1961 or the information received from any other person to the extent as it may deem fit in the interest of the revenue in the annual information statement referred to in sub-rule(1).</p> <p>Accordingly, the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) or any person authorised by him shall required to upload an annual information statement containing the information as specified above in the registered account of the assessee.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_30_2020.pdf</p>	Sl. No	Nature of information	(i)	Information relating to tax deducted or collected at source	(ii)	Information relating to specified financial transaction	(iii)	Information relating to payment of taxes	(iv)	Information relating to demand and refund	(v)	Information relating to pending proceedings	(vi)	Information relating to completed proceedings	<p>Lesson 9</p> <p>Procedural Compliance</p>
Sl. No	Nature of information															
(i)	Information relating to tax deducted or collected at source															
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17.	<p>Notification No. 32/2020 [Dated June 12, 2020]</p> <table border="1" data-bbox="253 260 997 348"> <thead> <tr> <th>Financial Year</th> <th>Cost Inflation Index</th> </tr> </thead> <tbody> <tr> <td>2020-210</td> <td>301</td> </tr> </tbody> </table> <p>This notification shall come into force with effect from 1st day of April, 2021 and shall accordingly apply to the assessment year 2021-22 and subsequent years. https://www.incometaxindia.gov.in/communications/notification/notification_32_2020.pdf</p>	Financial Year	Cost Inflation Index	2020-210	301	Lesson 4 (Part IV) Capital Gains
Financial Year	Cost Inflation Index					
2020-210	301					
18.	<p>Notification No. 33/2020 [Dated June 23, 2020]</p> <p>The Central Government hereby notifies for the purposes of the section 10(46), 'Greater Noida Industrial Development Authority', (PAN AAALG0129L), an authority constituted by the State Government of Uttar Pradesh, in respect of the following specified income arising to that Commission, namely:</p> <p>(a) Grants received from the State Government; (b) Moneys received from the disposal/90 years lease of immovable properties; (c) Moneys received by the way of lease rent & fees or any other charges from the disposal/90 years lease of immovable properties; (d) The amount of interest earned on the funds deposited in the banks; (e) The amount of interest/penalties received on the deferred payment received from the Allotees of various immovable properties; and (f) Water, sewerage and other municipal charges from the Allotees of various immovable properties.</p> <p>This notification shall be effective subject to the conditions that Greater Noida Industrial Development Authority</p> <p>(a) shall not engage in any commercial activity; (b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961. (d) shall file the Audit report along with the Return, duly verified by the accountant as provided in explanation to section 288(2) of the Income-tax Act, 1961 along with a certificate from the chartered accountant that the above conditions are satisfied.</p> <p>This notification shall be deemed to have been applied for the period from 01-06-2011 to 31-03-2012 in the assessment year of 2012-2013 and also from the assessment years 2013-2014, 2014-2015, 2015-2016 and 2016-2017.</p> <p>Accordingly, the Greater Noida Industrial Development Authority' has been notified by the Central Government for the purpose of Section 10(46) and is eligible for exemption under Income Tax Act, 1961 subject to conditions as mentioned above. https://www.incometaxindia.gov.in/communications/notification/notification_33_2020.pdf</p>	Lesson 3 Incomes which do not form part of Total Income				

19.	<p>Notification No. 34/2020 [Dated June 23, 2020]</p> <p>The Central Government hereby notifies for the purposes of the section 10(46), 'Maharashtra Electricity Regulatory Commission, a commission established by the State Government of Maharashtra, in respect of the following specified income arising to that Commission, namely:</p> <p>(a) Grants from Government of Maharashtra; (b) Fees for annual licence; (c) Interest on Fixed Deposit and Savings Account; (d) Fees for application/petition filed; (e) Fees for Documents; (f) Penalty for delayed payment of Annual Licence Fees; (g) Fees for RTI; (h) Sale of Scrap; (i) Interest on Loans and Advances given to employees; (j) Fees for annual performance review; (k) Fees for determination of tariff; and (l) Fees for initial licence</p> <p>This notification shall be effective subject to the conditions that Maharashtra Electricity Regulatory Commission, Mumbai, (a) shall not engage in any commercial activity; (b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961. (d) shall file the Audit report along with the Return, duly verified by the accountant as provided in explanation to section 288(2) of the Income-tax Act, 1961 along with a certificate from the chartered accountant that the above conditions are satisfied.</p> <p>This notification shall apply with respect to the assessment years 2021-2022, 2022-2023, 2023-2024, 2024-2025 and 2025-2026.</p> <p>Accordingly, Maharashtra Electricity Regulatory Commission' has been notified by the Central Government for the purpose of Section 10(46) and is eligible for exemption under Income Tax Act, 1961 subject to conditions as mentioned above.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_34_2020.pdf</p>	Lesson 3 Incomes which do not form part of Total Income
20.	<p>Notification No. 36/2020 Dated June 25, 2020</p> <p>The Central Government hereby notifies for the purposes of clause (46) of section 10 of the Income-tax Act, 1961, 'Karnataka & Andhra Pradesh Real Estate Regulatory Authority' in respect of the specified income arising to that Authority subject to certain conditions.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_36_2020.pdf</p>	Lesson 3 Incomes which do not form part of Total Income

21.	<p>Notification No. 37/2020 Dated June 25, 2020</p> <p>The Central Government hereby notifies for the purposes of clause (46) of section 10 of the Income-tax Act, 1961, 'Odisha & Jharkhand Real Estate Regulatory Authority' in respect of the specified income arising to that Authority subject to certain conditions.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_37_2020.pdf</p>	<p>Lesson 3</p> <p>Incomes which do not form part of Total Income</p>
22.	<p>Income-tax (14th Amendment) Rules, 2020 [Notification No. 40/2020 Dated June 29, 2020]</p> <p>The Central Board of Direct Taxes (CBDT) notify the Income Tax (14th Amendment) Rules, 2020, to further amend the Income Tax Rules, 1962 as per which Rule 11UAC has been substituted, which relates to the right of ownership for the purpose of mortgage along with all the documents, certain class of persons shall be excluded from the provision for sub-section (2) the government regularised the transactions of such immovable property.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_40_2020.pdf</p>	<p>Lesson 4 Part V</p> <p>Income from Other Sources</p>
23.	<p>Notification under proviso to section 9A(3) of the Income-tax Act, 1961 [Notification No. 41/2020 Dated June 30, 2020]</p> <p>The Central Government hereby notifies that the conditions specified in clauses (e), (f) and (g) of the sub-section (3) of section 9A of the Income-tax Act, 1961 shall not apply in case of an investment fund set up by a Category-I foreign portfolio investor registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, made under the Securities and Exchange Board of India Act, 1992.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_41_2020.pdf</p>	<p>Lesson 2</p> <p>Basic Concept of Income Tax</p>
24.	<p>Income-tax (15th Amendment) Rules, 2020 [Notification No. 42/2020 Dated June 30, 2020]</p> <p>The Section 50CA provides that consideration received for transfer of an unquoted share computed in prescribed manner shall be full consideration even if it is less than fair market value.</p> <p>The Central Board of Direct Taxes has issued the Income-tax (15th Amendment) Rules, 2020 to add Rule 11UAD which provides that the provisions of Section 50CA shall not apply to transfer of any movable property, being unquoted shares, of a company and its subsidiary and the subsidiary of such subsidiary in certain situation.</p> <p>https://www.incometaxindia.gov.in/communications/notification/notification_42_2020.pdf</p>	<p>Lesson 4 Part IV</p> <p>Capital Gains</p>