

EXECUTIVE PROGRAMME

(NEW SYLLABUS)

SUPPLEMENT

FOR

TAX LAWS

(Part I - Direct Tax)

(Relevant for Students appearing in December, 2021 Examination)

MODULE 1- PAPER 4

Students appearing in December, 2021 Examination shall note the following:

1. For Direct taxes, Finance Act, 2020 is applicable.
2. Applicable Assessment year is 2021-22 (Previous Year 2020-21).
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 31st May, 2021.

Note: The Finance Act, 2020 i.e. Assessment year is 2021-22 (Previous Year 2020-21) is applicable for Direct Tax Part – I for December 2021 examinations. Therefore, the students are advised to refer the study material for Direct Tax Part – I (based on Finance Act, 2020) for December 2021 exam. The same is available at ICSI website weblink:

[https://www.icsi.edu/media/webmodules/Final Tax Law Book.pdf](https://www.icsi.edu/media/webmodules/Final_Tax_Law_Book.pdf)

Sr. No.	Lesson No.	Amendments to Regulations /Rules /Act /Circular /Notification	Weblink (For Details)
1.	Lesson 9 Procedural Compliance	<p>The Income-tax (16th Amendment) Rules, 2020 [Notification No. 43/2020 Dated July 3, 2020]</p> <p>The Central Board of Direct Taxes has issued the Income-tax (16th Amendment) Rules, 2020 as per which the tax deductors while filing quarterly statements under Rule 31A (TDS Return) shall also required to furnish:</p> <ul style="list-style-type: none"> • <i>disclosure pertaining tax deducted at lower rate</i> • <i>particulars of amount paid or credited on which tax was not deducted or deducted at lower rate in view of the notification issued under second proviso or exemption provided in third proviso or notification issued under fourth proviso to section 194N OR 194A(5).</i> • <i>particulars of amount paid or credited on which tax was not deducted under section 194LBA(2A) or 197A(1D)(a) or (b) or in view of the exemption provided to persons referred to in Board Circular No. 3 & 11 of 2002 or Board Circular No. 18 of 2017.</i> 	https://www.incometaxindia.gov.in/communications/notification/notification_43_2020.pdf
2.	Lesson 3 Incomes which do not form part of Total Income	<p>Notification of Harmonised Master List of Infrastructure Sub-sectors for the purposes of section 10(23FE) of the Income-tax Act, 1961 [Notification No. 44/2020 Dated July 6, 2020]</p> <p>The Central Government hereby specifies business, for the purposes of item (b) of sub-clause (iii) of clause (23FE) of section 10 of the Income-tax Act, 1961, to be the business which is engaged in the infrastructure sub-sectors mentioned in Updated Harmonised Master List of Infrastructure Sub-sectors in the notification of the Government of India in the Ministry of Finance, Department of Economic Affairs, published in Gazette of India, dated 13th August, 2018.</p> <p>The reference to the infrastructure sub-sectors in the said Harmonised Master List of Infrastructure Sub-sectors shall not include the business already provided in the said item (b).</p> <p>This notification shall come into force from the 1st day of April, 2021 and shall be applicable for assessment year 2021-22 and subsequent assessment years.</p>	https://www.incometaxindia.gov.in/communications/notification/notification_44_2020.pdf
3.	Lesson 3 Incomes which do not form part of Total Income	<p>Notification No. 49/2020 [Dated July 17, 2020]</p> <p>The Central Government hereby notifies to include Real Estate Regulatory Authority ‘RERA’ for the purposes of clause (46) of section 10 of the Income-tax Act, 1961 for exemption of its specified incomes subject to certain conditions.</p> <p><i>Accordingly, the Real Estate Regulatory Authority is notified for the purpose of claiming exemption under section 10(46) of the Income tax Act, 1961 subject to certain conditions.</i></p>	https://www.incometaxindia.gov.in/communications/notification/notification_49_2020.pdf

4.	Lesson 9 Procedural Compliance	<p>Clarification in relation to notification issued under clause (v) of proviso to section 194N of the Income-tax Act, 1961 (the Act) prior to its amendment by Finance Act, 2020 (FA, 2020) [Circular No. 14/2020 Dated July 20, 2020]</p> <p>Section 194N of the Act as inserted by Finance (No.2) Act 2019 provided for deduction of tax at source on payment made by a banking company, a cooperative society engaged in the business of banking or post office, in cash to a recipient exceeding Rs. 1 crore in aggregate during a financial year from one or more account maintained by such recipient. Clause (v) of proviso to the said section had empowered the Central Government, in consultation with the Reserve Bank of India (RBI), to exempt by way of notification in Official Gazette, persons or class of persons so that payments made to such persons or class of persons shall not be subjected to TDS under this section. Accordingly, Central Government has issued three notifications.</p> <p>CBDT vide Circular No. 14/2020 dated 20.07.2020 clarified that the Notifications so far issued to exempt class of persons so that the payments made to such persons shall not be subjected to TDS under clause (v) of the proviso to section 194N as was introduced by the Finance (No. 2) Act, 2019 shall be read as Notifications issued under the fourth proviso to section 194N as amended by the Finance Act, 2020.</p>	https://www.incometaxindia.gov.in/communications/circular/circular_14_2020.pdf
5.	Lesson 3 Incomes which do not form part of Total Income	<p>Notification of Sovereign Wealth Fund ‘SWF’ under section 10(23FE) of the Income-tax Act, 1961 [Circular No. 15/2020 Dated July 22, 2020]</p> <p>The Finance Act, 2020 inserted clause (23FE) in section 10 the Income-tax Act, 1961 (the Act) to provide for exemption to income of a specified person in the nature of dividend, interest or long-term capital gains arising from investment made by it in India if the investment is made in specified infrastructure business (including business notified vide Notification No 44/2020 dated 06.07.2020, i.e., Infrastructure sub-sectors mentioned in Harmonised Master List updated as on 13.08.2018) during the period from 01.04.2020 to 31.03.2024, and held for at least three years.</p> <p>Specified person to mean wholly owned subsidiaries of Abu Dhabi Investment Authority (ADIA), notified Sovereign Wealth Fund (SWF) and notified Pension Funds (PF), which fulfilled conditions specified in the clause or to be prescribed for the PF.</p> <p><i>In order to facilitate the process of notification of the SWF, the CBDT specifies that the SWF shall file application in the Form I with the Member (Legislation), (CBDT), during the financial year 2020-21 and thereafter to the Member, CBDT having supervision and control over the work of Foreign Tax and Tax Research Division.</i></p> <p><i>Further, the SWF shall be required to file return of income along with audit report and also be required to file a quarterly statement within one month from the end of the quarter electronically in Form II in respect of each investment made during the quarter.</i></p>	https://www.incometaxindia.gov.in/communications/circular/circular_15_2020.pdf

6.	Lesson 3 Incomes which do not form part of Total Income	Notification No. 50/2020 [Dated July 21, 2020] The Central Government hereby notifies to include 'Tamil Nadu e-Governance Agency' for the purposes of clause (46) of section 10 of the Income-tax Act, 1961 in respect of the specified income arising to that Agency subject to certain conditions. <i>Accordingly, the 'Tamil Nadu e-Governance Agency' is notified for the purpose of claiming exemption under section 10(46) of the Income tax Act, 1961 subject to certain conditions.</i>	https://www.incometaxindia.gov.in/communications/notification/notification_50_2020.pdf
7.	Lesson 9 Procedural Compliance	Income-tax (17th Amendment) Rules, 2020 [Dated July 24, 2020] CBDT notified Income-tax (17 th Amendment) Rules, 2020 which shall come into force with effect from the 1 st day of October, 2020 and thereby amending Tax Collected at Source (TCS) Rules. The following amendment has been made in the Income-tax Rules, 1962. Rule 31AA [Statement of collection of tax u/s 206C(3)]: To furnish the particulars of amount received or debited on which TCS was not collected from the buyer is to be reported. Rule 37BC [Relaxation from deduction of tax at higher rate under section 206AA]: In the case of a non-resident, not being a company, or a foreign company (hereafter referred to as 'deductee') and not having permanent account number the provisions of section 206AA shall not apply in respect of payments in the nature of interest, royalty, fees for technical services and payments on transfer of any capital asset, if the deductee furnishes the details and the documents specified in sub-rule (2) to the deductor. <i>In sub-rule (1), after the words "fees for technical services", the words "dividend" shall be inserted.</i> Rule 37-I [Credit for tax collected at source for the purposes of section 206C(4)], after sub-rule (2), the sub-rule 2A shall be inserted as follow: “(2A) Notwithstanding anything contained in sub-rule (2), for the purposes of sub-section (1F) or, sub-section (1G) or, sub-section (1H) of section 206C, credit for tax collected at source shall be given to the person from whose account tax is collected and paid to the Central Government account for the assessment year relevant to the previous year in which such tax collection is made” Appendix II , in Form 27EQ, for the “Annexure”, the following “Party wise Break Up of TCS” Annexure shall be substituted.	https://abcaus.in/wp-content/uploads/2020/07/cbdt-notification-2.pdf
8.	Lesson 9 Procedural Compliance	Income-tax (18th Amendment) Rules, 2020 [Notification No. 55 Dated July 28, 2020] The Central Board of Direct Taxes on the 28th July, 2020 has published the Income-tax (18th Amendment) Rules, 2020 that provides for furnishing details of income paid or credited by an investment fund to its unit holder as follow:	https://www.incometaxindia.gov.in/communications/notification/notification_55_2020.pdf

		<ul style="list-style-type: none"> The statement of income paid or credited by an investment fund to its unit holder shall be furnished by the person making payment of the income on behalf of an investment fund to the unit holder by June 30 of the financial year following the previous year during which the income is paid or credited in Form No. 64C. It shall also be furnished to the Principal Commissioner or the Commissioner of Income-tax, as the case may be, within whose jurisdiction the Principal office of the investment fund is situated by June 15 in Form No. 64D. The Principal Director General of Income-tax (Systems) shall specify the procedure for filing of Form No. 64D. 	
9.	Lesson 10 Assessment, Appeals & Revision	<p>Faceless Assessment Scheme [Notification No. 60, 61 Dated August 13, 2020]</p> <p>The Central Board of Direct Taxes vide notification no. 60/61 notified the Faceless Assessment Scheme with an aims to eliminate the interface between the taxpayer and the income tax department. Under the system, the selection of a taxpayer is possible only through systems using analytics and AI. The system abolishes territorial jurisdiction. In the said scheme, the word “E-assessment” has been replaced with the word “Faceless Assessment”.</p> <p>The detailed scheme and procedure are available at weblink: http://www.egazette.nic.in/WriteReadData/2020/221089.pdf</p>	http://www.egazette.nic.in/WriteReadData/2020/221089.pdf
10.	Lesson 10 Assessment, Appeals & Revision	<p>Notification No. 64/2020 dated August 13, 2020</p> <p>The CBDT directs that the Income-tax Authorities of the National e-Assessment Centre having its headquarters at the places mentioned in column (3) of the said Schedule shall exercise the powers and functions of Assessing Officer concurrently, to facilitate the conduct of Faceless Assessment proceedings in respect of territorial areas, persons or classes of persons and cases or classes of cases mentioned in the Schedule-1 of the notification No. 50 of 2014 dated October 22, 2014.</p>	https://www.incometaxindia.gov.in/communications/notification/notification_64_2020.pdf
11.	Lesson 10 Assessment, Appeals & Revision	<p>Notification No. 65/2020 dated August 13, 2020</p> <p>The CBDT directs that the Income-tax Authorities of Regional e-Assessment Centers having their headquarters at the places mentioned in column (3) of the said Schedule, shall exercise the powers and functions of Assessing Officers concurrently, to facilitate the conduct of Faceless Assessment proceedings in respect of territorial areas, persons or classes of persons and cases or classes of cases mentioned in the Schedule-1 of the notification No. 50 of 2014 dated October 22, 2014.</p>	https://www.incometaxindia.gov.in/communications/notification/notification_65_2020.pdf
12.	Lesson 3 Income which do not form part of Total Income	<p>Income Tax 20th Amendment Rules 2020 [Notification No. 67/2020 Dated August 17, 2020]</p> <p>The Central Board of Direct Taxes hereby makes the Income-tax (20th Amendment) Rules, 2020 which shall come into force from the date of their publication in the Official Gazette. In the Income-tax Rules, 1962:</p>	https://www.incometaxindia.gov.in/communications/notification/notification_67_2020.pdf

		<ul style="list-style-type: none"> • after rule 2DA, the rules “2DB” shall be inserted which specify Other conditions to be satisfied by the pension fund. • After rule 2DA, the rules “2DC” shall be inserted which specifies the Guidelines for notification under clause (23FE) of section 10 of the Income Tax Act, 1961. 	2020.pdf
13.	Lesson 4 Part III PGBP	Imposition of charge on the prescribed electronic modes under section 269SU of the Income-tax Act, 1961 [Circular No. 16/2020 Dated August 30, 2020] Section 269SU of the Income tax Act, 1961 provides every person having a business turnover of more than Rs. 50 Crores during the immediately preceding previous year shall mandatorily provide facilities for accepting payment through prescribed electronic modes. However representations were received that banks are collecting charges on transactions carried out through UPI. <i>Hence, Central Board of Direct Taxes 'CBDT' vide its Circular No. 16/2020 Dated August 30, 2020 advised banks to refund all the charges collected on and after 1st January 2020 on transactions carried out using the electronic modes as prescribed under section 269SU and not to impose any such charges on any future transactions carried through the prescribed digital modes.</i>	https://www.incometaxindia.gov.in/communications/circular/circular-16-2020.pdf
14.	Lesson 3 Income which do not form part of Total Income	Notification No. 73/2020 [Dated September 10, 2020] The Central Government hereby notifies for the purposes of the clause (46) of section 10 of the Income-tax Act, 1961, 'District Mineral Foundation Trust' in respect of the certain specified income arising to that Authority subject to certain conditions. <i>Accordingly, the District Mineral Foundation Trust is notified for the purpose of claiming exemption under section 10(46) of the Income tax Act, 1961 subject to certain conditions.</i>	https://www.incometaxindia.gov.in/communications/notification/notification_73_2020.pdf
15.	Lesson 3 Income which do not form part of Total Income	Notification No. 74/2020 [Dated September 11, 2020] The Central Government hereby notifies the Infrastructure Debt Fund namely, the 'L&T Infra Debt Fund (PAN: AACCL4493R)' for the purposes of the clause (47) of section 10 of the Income-tax Act, 1961 for the assessment year 2018-2019 and subsequent years subject to the certain conditions. <i>Accordingly, the L&T Infra Debt Fund (Infrastructure Debt Fund) is notified for the purpose of claiming exemption under section 10(47) of the Income tax Act, 1961 subject to certain conditions.</i>	https://www.incometaxindia.gov.in/communications/notification/notification_74_2020.pdf
16.	Lesson 9 Procedure Compliance	Income-tax (21st Amendment) Rules, 2020 (September 22, 2020) The Central Board of Direct Taxes vide Notification No. 75/2020 makes the Income-tax (21st Amendment) Rules, 2020 to further amend the Income-tax Rules, 1962 as follows:	https://www.incometaxindia.gov.in/communications/notification/notification_75_

		<p>Rule 29B which specifies the submission of application for certificate authorising receipt of interest and other sums without the deduction of tax, has been substituted, stating that the words, “banking company” wherever occurring shall be replaced with “banking company or an insurer.”</p> <p>Rule 29B(5) which specifies the validity of the certificate, an explanation has been inserted, namely:“for the purposes of this rule, “insurer” shall have the same meaning as assigned to it in sub-clause (d) of clause (9) of section 2 of the Insurance Act, 1939”</p> <p><i>Accordingly, the insurer, which is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India, and which carries on operations in India through a branch, any income by way of interest, not being interest on securities (other than interest payable on securities referred to in proviso to section 193), or any other sum, not being dividends; can make an application for certificate authorising receipt of interest and other sums without deduction of tax subject to certain conditions.</i></p>	2020.pdf
17.	<p>Lesson 10</p> <p>Assessment, Appeals & Revision</p>	<p>Faceless Appeal Scheme, 2020 (September 25, 2020)</p> <p>The Central Government vide Notification No. 76/2020 makes the Faceless Appeal Scheme, 2020 which shall come into force on the date of its publication in the Official Gazette. The detailed scope, procedure, Penalty & Rectification proceedings, as well as Appellate Proceedings under the scheme are available at following weblink:</p>	https://www.incometaxindia.gov.in/communications/notification/notification_76_2020.pdf
18.	<p>Lesson 10</p> <p>Assessment, Appeals & Revision</p>	<p>Notification No. 77/2020 (September 25, 2020)</p> <p>For the purposes of giving effect to the Faceless Appeal Scheme, 2020 made under sub-section (6B) of section 250 of the Income Tax Act, the Central Government vide Notification No. 77/2020 directs that the provisions of</p> <ul style="list-style-type: none"> • clause (16A) of section 2 [definition of Commissioner (Appeals)], • section 120 [Jurisdiction of income-tax authorities], • section 129 [Change of incumbent of an office], • section 131 [Power regarding discovery, production of evidence, etc], • section 133 Power to call for information], • section 134 [Power to inspect registers of companies], • section 136 [Proceedings before income-tax authorities to be judicial proceedings] and • Chapter XX [Appeals and Revision] <p>of the Income Tax Act shall apply to the procedure in appeal in accordance with the said Scheme subject to the certain exceptions, modifications and adaptations.</p>	https://www.incometaxindia.gov.in/communications/notification/notification_77_2020.pdf

19.	Lesson 9 Procedure Compliance	<p>Guidelines under section 194-O (4) and section 206C (1-1) of the Income-tax Act, 1961 (Circular No. 17 Dated September 29, 2020)</p> <p>Finance Act, 2020 inserted following section in the Income Tax Act, 1961 effective from October 1, 2020.</p> <p>Section 194-O: An e-commerce operator shall deduct income-tax @ 1% of the gross amount of sale of goods or provision of service or both, facilitated through its digital or electronic facility or platform.</p> <p>Section 206(1H): A seller receiving an amount as consideration for sale of any goods of the value or aggregate of such value exceeding 50 lakh rupees in any previous year to collect tax from the buyer a sum equal to 0.1 % of the sale consideration exceeding 50 lakh rupees as Income-tax.</p> <p><i>In order to remove difficulties, the Central Board of Direct Tax vide Circular No. 17 issued guidelines with respect to 194-O (4) and section 206C (1-1) of the Income-tax Act, 1961.</i></p>	https://www.incometaxindia.gov.in/communications/circular/circular_17_2020.pdf
20.	Lesson 9 Procedure Compliance	<p>Clarification on doubts arising on account of new TCS provisions (PIB September 30, 2020)</p> <p>Finance Act, 2020 amended provisions relating to TCS with effect from 1st October, 2020 to provide that seller of goods shall collect tax @ 0.1 per cent (0.075% up to 31.03.2021) if the receipt of sale consideration from a buyer exceeds Rs. 50 lakh in the financial year. Further, to reduce the compliance burden, it has been provided that a seller would be required to collect tax only if his turnover exceeds Rs. 10 crore in the last financial year. Moreover, the export of goods has also been exempted from the applicability of these provisions.</p> <p>The Central Board of Direct Taxes issues press note clarifying doubts arising on the applicability of TCS provisions introduced vide Finance Act, 2020. Circular No. 17 of 2020 dated 29.09.2020 containing guidelines for the same issued earlier.</p> <p><i>TCS shall be applicable only on the amount received on or after 1st October, 2020. For example, a seller who has received Rs. 1 crore before 1st October, 2020 from a particular buyer and receives Rs. 5 lakh after 1st October, 2020 would be required to collect tax on Rs. 5 lakh only and not on Rs. 55 lakh [i.e Rs.1.05 crore - Rs. 50 lakh (threshold)] by including the amount received before 1st October, 2020.</i></p> <p><i>It may be noted that this TCS applies only in cases where receipt of sale consideration exceeds Rs. 50 lakh in a financial year. As the threshold is based on the yearly receipt, it may be noted that only for the purpose of calculation of this threshold of Rs. 50 lakh, the receipt from the beginning of the financial year i.e. from 1st April, 2020 shall be taken into account. For example, in the above illustration, the seller has to collect tax on receipt of Rs. 5 lakh after 1st October, 2020 because the receipts from 1st April, 2020 i.e. Rs. 1.05 crore exceeded the specified threshold of Rs. 50 lakh.</i></p>	https://pib.nic.in/PressReleasePage.aspx?PRID=1660392
21.	Lesson 9 Procedure	<p>Income tax (22nd Amendment) Rules, 2020 (October 1, 2020)</p> <p>CBDT vide Notification No. 82/2020 dated October 1, 2020 issued</p>	https://www.incometaxindia.gov.in/communicati

	Compliance	<p>Income tax (22nd Amendment) Rules, 2020 to notify changes in Form 3CD, Form No 3CEB and ITR6. Further, amended Rule 5 of Income Tax Rules, 1962 and inserted new Rules and Forms namely:</p> <ul style="list-style-type: none"> • <i>Rule 21AG- Exercise of option under sub-section (5) of section 115BAC</i> • <i>Rule 21AH- Exercise of option under sub-section (5) of section 115BAD</i> • <i>FORM No. 10-IE- Application for exercise/ withdrawal of option under clause (i) of sub-section (5) of Section 115BAC of the Income-tax Act, 1961</i> • <i>FORM No. 10-IF- Application for exercise of option under sub-section (5) of Section 115BAD of the Income-tax Act, 1961.</i> 	ons/notification/notification_82_2020.pdf
22.	Lesson 8 Classification and Tax Incidence on Companies	<p>Equalisation levy (Amendment) Rules, 2020 (Notification No. 87 Dated October 28, 2020)</p> <p>CBDT has made the Equalisation levy (Amendment) Rules, 2020 to amend the Equalisation levy Rules, 2016 as follows:</p> <ol style="list-style-type: none"> 1. Definition of “electronic verification code” is added to definition Rules 2 by inserting a new clause (aa): <i>“electronic verification code” means a code generated for the purpose of electronic verification of the person furnishing the statement of specified services as per the data structure and standards laid down by the Principal Director- General of Income-tax (Systems) or Director General of Income-tax (Systems), as the case may be.</i> 2. Rounding off rules amended: The heading of Rule 3 is amended to exclude the words “for specified services”. 3. Amendment to payment of equalisation levy: Rule 4 related to payment of equalisation levy is amended to include an e-commerce operator in addition to the assessee. 4. Filing of annual statements: Rule 5 is amended to include a statement of e-commerce supply or services in addition to the statement of specified services. Further, provision to furnish a revised statement in Form No. 1 is incorporated. 5. Furnishing of a statement in response to notice: Rule 6 is amended to include the furnishing of a statement of specified services or e-commerce supply or services in response to a notice issued by the Assessing Officer. Further, this rule is made applicable to an e-commerce operator apart from the assessee. 6. Notice of demand: The notice of demand can now be served upon an assessee as well as on an e-commerce operator under Rule 7 by the Assessing Officer. 7. Amendment related to Appeals: An e-commerce operator is also allowed to file an appeal before the CIT(A) as per Rule 8. 8. Amendment related to ITAT Appeals: An e-commerce operator is also allowed to file an appeal before the ITAT as per Rule 9. 9. Substitution of Forms: For the execution of amended provisions of the Rules, Form 1, Form 3 and Form 4 under the Equalisation Levy Rules, 2016 has been substituted with effect from 28.10.2020. 	https://www.indoweb.net/notification/notification_87_2020.pdf

23.	Lesson 3 Income which do not form part of Total Income	Notification No. 89 [Dated November 02, 2020] The Central Government hereby specifies the sovereign wealth fund, namely, the MIC Redwood 1 RSC Limited, Abu Dhabi, United Arab Emirates, as the specified person for the purposes of the sub-clause (vi) of clause (b) of the Explanation to clause (23FE) of section 10 of the Income-tax Act, 1961 in respect of the investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 subject to the fulfilment of the certain conditions. <i>Accordingly, MIC Redwood 1 RSC Limited, Abu Dhabi, United Arab Emirates has been specified as sovereign wealth fund for the purposes of the sub-clause (vi) of clause (b) of the Explanation to clause (23FE) of section 10 of the Income-tax Act, 1961.</i>	https://www.incometaxindia.gov.in/communications/notification/notification_no_89_2020.pdf
24.	Lesson 4 Part I Income under the head Salary	The Central Board of Direct Taxes extended the Income Tax exemption available under the LTC cash voucher scheme to employees of state governments, state-owned enterprises and private sector (PIB Dated October 29, 2020) In order to provide the benefits to other employees (i.e. non-central government employees), the Central Board of Direct Taxes has provided similar income-tax exemption for the payment of cash equivalent of LTC fare [subject to maximum of Rs 36,000 per person as deemed Leave Travel Concession (LTC) fare per person Round Trip] to the non-Central Government employees also subject to certain condition. Non-central government employees include employees of state governments, public sector enterprises, banks and private sector. The conditions listed out by the CBDT for availing the tax exemption under the LTC cash voucher scheme require the employee to spend a sum equal to three times of the value of the deemed LTC fare on purchase of goods / services which carry a GST rate of 12% or more from GST registered vendors / service providers through digital mode between October 12, 2020 to March 31, 2021 and obtains a voucher indicating the GST number and the amount of GST paid. An employee who spends less than three times of the deemed LTC fare on specified expenditure during the specified period shall not be entitled to receive full amount of deemed LTC fare and the related income-tax exemption and the amount of both shall be reduced proportionately. The employees have to exercise an option for the deemed LTC fare in lieu of the applicable LTC in the Block year 2018-2021.	https://www.incometaxindia.gov.in/Lists/Press%20Releases/Attachments/870/Press-Release-IT-Exemption-for-payment-of-deemed-LTC-dated-29-10-2020.pdf
25.	Lesson 2 Basic Concept of Income Tax	Amount of remuneration prescribed under section 9A(3)(m) of the Income-tax Act, 1961 (Circular No. 1/2021 Dated January 15, 2021) Finance (No 2) Act, 2019 amended clause (m) of sub-section (3) of section 9A of the Income-tax Act, 1961 w.e.f. 01.04.2019 to provide for payment of remuneration by an eligible investment fund to an eligible fund manager in respect of fund management activity undertaken by him on its behalf to be not less than the amount calculated in such manner as may be prescribed.	https://www.incometaxindia.gov.in/communications/circular/circular_1_2021.pdf

		<p>Accordingly, rule 10V of the Income-tax Rules, 1962 has been amended, w.e.f. 01.04.2019, vide Notification No 29/2020 dated 27.05.2020 by way of insertion of sub-rules (12) and (13) therein. Sub-rule (12) provides for the amount of remuneration to be paid by the fund to a fund manager. 2nd proviso of the said sub-rule provides that the fund may seek Board's approval in case where the amount of remuneration is lower than the amount so prescribed.</p> <p>In this regard, representations have been received expressing inability to comply with the provisions of sub-rule 12 of rule 10V of the Rules regarding the amount of remuneration to be paid by the fund to a fund manager for the financial year 2019-20 as the said Notification No 29/2020 was notified after the financial year got over and the financial year 2020-21 had already commenced.</p> <p><i>In order to avoid genuine hardship in such cases, the Board, in exercise of powers conferred under section 119 of the Act, has decided to provide that for the financial years 2019-20 and 2020- 21 in cases where the remuneration paid to the fund manager is lower than the amount of remuneration prescribed under sub-rule (12) of rule 10V of the Rules, but is at arm's length, it shall be sufficient compliance to clause (m) of sub-section (3) of section 9A of the Act. It is stated that the remuneration to be paid to the fund manager, for the financial year 2021- 22, shall be in accordance with sub-rule (12) of rule 10V of the Rules and the application for lower remuneration in terms of 2nd proviso for this year, if any, may be filed not later than 1st February, 2021.</i></p>	
26.	<p>Lesson 10</p> <p>Assessment, Appeals and Revision</p>	<p>Faceless Penalty Scheme, 2021 [Notification No. 02 /2021 Dated January 12, 2021]</p> <p>The Central Board of Direct Taxes (CBDT) has introduced a "Faceless Penalty Scheme, 2021" to handle recommendations for penalty issued under its faceless assessment programme. The scheme has laid down the procedure to issue penalty through electronic mode, including the procedures for admission of additional grounds and the admission of additional evidence during the appellate proceedings.</p> <p><i>The penalty under this scheme shall be imposed in respect of such territorial area, or persons or class of persons, or income, as specified by the board. It aims to ensure that any penalty order issued by the authority is fool proof and has undergone multiple layers of review before it is confirmed or dropped.</i></p>	<p>https://www.incometaxindia.gov.in/communications/notifications/notification_no_2_2021.pdf</p>
27.	<p>Lesson 10</p> <p>Assessment, Appeals and Revision</p>	<p>CBDT issues Directions for giving effect to Faceless Penalty Scheme, 2021 [Notification No. 03 /2021 Dated January 12, 2021]</p> <p>CBDT vide Notification No. 3/2021 dated 12.01.2021 issued directions issued u/s 274(2B) for the purpose of giving effect to the Faceless Penalty Scheme, 2021 notified vide Notification No. 2/2021 dated 12.01.2021 under the Income Tax Act, 1961 ("Act").</p> <p><i>Accordingly, The provisions of section 2, section 120, section 127, section 129, section 131, section 133, section 133C, section 136 and Chapter XXI of the Act shall apply to the procedure for imposing penalty</i></p>	<p>https://www.incometaxindia.gov.in/communications/notifications/notification_no_3_2021.pdf</p>

		<i>in accordance with the Faceless Penalty Scheme, 2021 subject to the certain exceptions as specified in the Scheme.</i>									
28.	Lesson 9 Procedural Compliance	<p>Procedure, Formats and Standards of issue of Permanent Account Number (PAN) (Notification No. 1 Dated February 8, 2021)</p> <p>The Director General of Income-tax (Systems) lays down the procedure, formats and standards for issue of permanent account number as under:</p> <table border="1"> <thead> <tr> <th>Issuing Authority</th> <th>Procedure for issue of PAN</th> <th>Formats and standards for issue of PAN</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Assistant/ Deputy Director of Income Tax (Systems) -1(5)</td> <td>Physical mode</td> <td>Coloured, laminated and credit card sized permanent account number card as per approved design and specifications having one or more security features of only hologram or hologram and QR code enhanced QR code (having demographic as well as biometric information).</td> </tr> <tr> <td>Electronic mode (ePAN)</td> <td>Electronic document in PDF format with enhanced QR code (having demographic as well as biometric information)</td> </tr> </tbody> </table> <p>The digital Signature of class 2 or class 3 will be used for Signing of e-PAN as per Information Technology Act, 2000 which provides for legal recognition of electronic records with digital signatures.</p>	Issuing Authority	Procedure for issue of PAN	Formats and standards for issue of PAN	Assistant/ Deputy Director of Income Tax (Systems) -1(5)	Physical mode	Coloured, laminated and credit card sized permanent account number card as per approved design and specifications having one or more security features of only hologram or hologram and QR code enhanced QR code (having demographic as well as biometric information).	Electronic mode (ePAN)	Electronic document in PDF format with enhanced QR code (having demographic as well as biometric information)	https://incometaxindia.gov.in/communications/notification/notification2021.pdf
Issuing Authority	Procedure for issue of PAN	Formats and standards for issue of PAN									
Assistant/ Deputy Director of Income Tax (Systems) -1(5)	Physical mode	Coloured, laminated and credit card sized permanent account number card as per approved design and specifications having one or more security features of only hologram or hologram and QR code enhanced QR code (having demographic as well as biometric information).									
	Electronic mode (ePAN)	Electronic document in PDF format with enhanced QR code (having demographic as well as biometric information)									
29.	Lesson 10 Assessment, Appeals and Revision	<p>Faceless Assessment (1st Amendment) Scheme, 2021 (Notification No. 6 Dated February 17, 2021)</p> <p>The CBDT vide Notification No. 6/2021, dated February 17, 2021, has notified the ‘Faceless Assessment (1st Amendment) Scheme, 2021’ which seeks to amend Faceless Assessment Scheme, 2019 (“Scheme”), by way of which certain amendments in Para 2 of the Scheme (i.e., definitions), Para 11 of the Scheme (i.e., No personal appearance in the Centres or Units) and substituted Para 5 of the Scheme (i.e., Procedure for assessment).</p>	https://www.incometaxindia.gov.in/communications/notification/6_2021.pdf								
30.	Lesson 10 Assessment, Appeals and Revision	<p>New procedure of faceless assessment under Faceless Assessment Scheme, 2019 (Notification No. 7 Dated February 17, 2021)</p> <p>The CBDT vide <i>Notification No. 7/2021, dated February 17, 2021</i> amended <i>Notification No. 62/2019 September 12, 2019</i> to provide for new procedure of faceless assessment under Faceless Assessment Scheme, 2019 (“Scheme”). The detailed new procedure of faceless assessment is available at the weblink:</p> <p>https://www.incometaxindia.gov.in/communications/notification_7_2021.pdf</p>	https://www.incometaxindia.gov.in/communications/notification/7_2021.pdf								
31.	Lesson 3 Income	<p>Notification No. 8 (Dated February 22, 2021)</p> <p><i>The Central Government hereby notifies for the purposes of the clause</i></p>	https://incometaxindia.gov.in/communications/n								

	<p>which do not form part of Total Income</p>	<p><i>(46) of section 10 of the Income-tax Act, 1961, 'Haryana State Pollution Control Board' (PAN AAAJH0446F), a Board constituted by the State Government of Haryana under the Water (Prevention and Control of Pollution) Act, 1974 in respect of the following specified income arising to the Board subject to certain conditions.</i></p> <p>Accordingly, Haryana State Pollution Control Board can claim exemption under section 10(46) with respect to specified income subject to certain conditions.</p>	<p>otification/notification 8 2021.pdf</p>
32.	<p>Lesson 2</p> <p>Basic Concept of Income Tax</p>	<p>Residential status of certain individuals under Income-tax Act, 1961 (Circular No. 2 Dated March 3, 2021)</p> <p>Section 6 of the Income-tax Act, 1961 (the Act) contains provisions relating to determination of residency of a person. The status of an individual, as to whether he is resident in India or a non-resident or not ordinarily resident, is dependent, inter-alia, on the period for which the person is in India during a previous year or years preceding the previous year.</p> <p>The Board has received various representations requesting for relaxation in determination of residential status for previous year 2020-21 from individuals who had come on a visit to India during the previous year 2019-20 and intended to leave India but could not do so due to suspension of international flights. The matter has been examined by the Board and following facts have emerged:</p> <ol style="list-style-type: none"> 1. Short stay will not result into Indian residency 2. Possibilities of dual non-residency in case of general relaxation 3. Tie breaker rule as per Double Taxation Avoidance Agreement (DTAA) 4. Employment income taxable only subject to conditions as per DTAA 5. Credit for the taxes paid in other country 6. International Experience <p>Thus, it can be seen that OECD as well as most of the countries have clarified that in view of the provisions of the domestic income tax law read with the DTAAAs, there does not appear a possibility of the double taxation of the income for PY 2020-21. The possibility of double taxation does not exist as per the provisions of the Income-tax Act, 1961 read with the DTAAAs. However, in order to understand the possible situations in which a particular taxpayer is facing double taxation due to the forced stay in India, it would be in the fitness of things to obtain relevant information from such individuals. After understanding the possible situations of double taxation, the Board shall examine that,</p> <ol style="list-style-type: none"> i. whether any relaxation is required to be provided in this matter; and ii. if required, then whether general relaxation can be provided for a class of individuals or specific relaxation is required to be provided in individual cases. 	<p>https://www.incometaxindia.gov.in/communications/circular/residency-circular-02-of-2021.pdf</p>

		Therefore, if any individual is facing double taxation even after taking into consideration the relief provided by the respective DTAAs, he may furnish the information in Form -NR annexed to this circular by 31st March, 2021. This form shall be submitted electronically to the Principal Chief Commissioner of Income-tax (International Taxation).	
33.	Lesson 4 Part I Income under the head Salary	<p>CBDT Notifies Rule 3B Prescribing Computation of Perquisite for Annual Accretion in PF and Other Funds u/s 17(2)(vii) for excess contribution by Employer Over Rs. 750000 [Notification No. 11 Dated March 5, 2021]</p> <p>Finance Act, 2020 has amended the provisions of section 17(2)(vii) of the Income tax Act to provide that the amount or the aggregate amounts of any contribution made by the employer in respect of the assessee, to the account of an assessee in a recognised provident fund; in the scheme referred to in sub-section (1) of section 80CCD (NPS); and in an approved superannuation fund shall be treated as a perquisite, to the extent it exceeds Rs. 7,50,000 in a previous year.</p> <p>Further, Finance Act, 2020 has inserted a new sub-clause (vii) in section 17(2) so as to provide that annual accretion by way of interest, dividend or any other amount of similar nature during the previous year to the balance at the credit of the fund or scheme referred to in sub-clause (vii) may also be treated as perquisite to the extent it relates to the contribution referred to in the said new sub-clause (vii), which is included in total income and shall be computed in the prescribed manner.</p> <p>The manner of computation of such annual accretion in the provident and other welfare funds specifying the method of computation of perquisite u/s 17(2)(vii) is now notified by this Notification 11 of 2021.</p>	https://incometaxindia.gov.in/communications/notification/notification_no_11_2021.pdf
34.	Lesson 4 Part III PGBP	<p>Notification No. 12 / 2021 [Dated March 9, 2021]</p> <p>The Central Government hereby approves M/s Bennett University, Greater Noida, Uttar Pradesh (PAN: AAAJB13B8A) under the category of 'University, College or other institution' for Scientific Research and Research in Social Science and Statistical Research for the purposes of clauses (ii) and (iii) of sub-section (1) of section 35 of the Income-tax Act, 1961 read with rules 5C and 5E of the Income-tax Rules, 1962. This Notification shall be deemed to have been applied for the assessment year 2020-2021 and shall apply with respect to the assessment years 2021-2022, 2022-2023, 2023-2024, 2024-2025.</p>	https://incometaxindia.gov.in/communications/notification/notification_12_2021.pdf
35.	Lesson 2 Basic Concept of Income Tax	<p>CBDT notifies Amendment to Rule 10V for Computation of Remuneration payable to Fund Managers [Notification No. 13 Dated March 9, 2021]</p> <p>The Board notified the Income-tax (2nd Amendment) Rules, 2021 which seeks to further amend rule 10V of the Income-tax Rules, 1962. Sub-rule (12) of Rule 10V provides for the amount of remuneration to be paid by the fund to a fund manager. Second provision of the said sub-rule provides that the fund may seek Board's approval in case where the amount of remuneration is lower than the amount so prescribed.</p>	https://incometaxindia.gov.in/communications/notification/notification_no_13.pdf

		<p>In the Income-tax Rules, 1962, in rule 10V, in sub-rule (12), after the second proviso and before the Explanation, the two provisos shall be inserted.</p> <p>Firstly, “Provided also that the provisions of sub-rules (3) to (12) of rule 10VA shall, mutatis mutandis, apply to the application made under the second proviso as they apply to application made under sub- rule (2) of the said rule,”</p> <p>Secondly, “Provided also that the provisions of sub-rule (3) of rule 10VA shall not apply to an application made under the second proviso, if it is for the previous year beginning on the 1st day of April, 2021, and made on or before the 1st day of February, 2021,”</p>	
36.	<p>Lesson 9</p> <p>Procedural Compliance</p>	<p>Income-tax (5th Amendment) Rules, 2021 (Dated March 16, 2021)</p> <p>The Central Board of Direct Taxes makes the Income-tax (5th Amendment) Rules, 2021 (w.e.f. April 1, 2021).</p> <p>Rule 29BA has been inserted with respect to “Application for grant of certificate for determination of appropriate proportion of sum (other than Salary), payable to non-resident, chargeable in case of the recipients”.</p> <p>Form No. 15E has been inserted with respect to “Application by a person for a certificate under section 195(2) and 195(7) of the Income-tax Act, 1961, for determination of appropriate proportion of sum (other than salary) payable to non-resident, chargeable to tax in case of the recipient”.</p>	<p>http://egazette.nic.in/WriteReadData/2021/225942.pdf</p>
37.	<p>Lesson 4</p> <p>Part III</p> <p>PGBP</p>	<p>Tax Audit Report - Form 3CD- Applicability of Clause 30C and Clause 44 extended by one more year i.e. will be applicable for the Financials year 2022-23 [Circular No. 5 Dated March 25, 2021]</p> <p>Section 44AB of the Income-tax Act, 1961 ('the Act') read with rule 6G of the Income-tax Rules, 1962 ('the Rules') requires specified persons to furnish the Tax Audit Report along with the prescribed particulars in Form No. 3CD. The existing Form No. 3CD was amended vide notification dated 20th July, 2018 with effect from 20th August, 2018. However, the reporting under clause 30C (impermissible avoidance arrangement) and clause 44 (Break-up of total expenditure of entities registered or not registered under the GST) of the Tax Audit Report was kept in abeyance till 31st March, 2019 vide Circular No. 6/2018 dated 17.08.2018, which was subsequently extended to 31st March, 2020 vide Circular No. 91/2019. Vide circular no. 10/2020 dated 24.04.2020, it was further extended to 31st March, 2021.</p> <p>In view of the prevailing situation due to COVID-19 pandemic across the country, it has been decided by the Board that the reporting under clause 30C and clause 44 of the Tax Audit Report shall be kept in abeyance till 31st March, 2022.</p>	<p>https://incometaxindia.gov.in/communications/circular/circular_no_5_2021.pdf</p>
38.	<p>Lesson 7</p> <p>Computation of Total</p>	<p>CBDT notifies New Income Tax Rules & Forms for Trust & NPOs (Notification No. 19 Dated March 26, 2021)</p> <p>CBDT issues Notification no. 19/2021 dated 26/03/2021 pertaining to</p>	<p>https://incometaxindia.gov.in/communications/notification/notifi</p>

	Income and Tax Liability of various entities	<p>procedure for registration of fund/ trust/charitable institutions etc.</p> <p>Notification Substitutes</p> <p>Substitutes Rule 2C -Application for the purpose of grant of approval of a fund or trust or institution or university or any hospital or other medical institution under clause (i) or clause (ii) or clause (iii) or clause (iv) of first proviso to clause (23C) of Section 10</p> <ul style="list-style-type: none"> • Amends Rule 5C, Inserts Rule 5CA Intimation under Fifth Proviso to sub-section (1) of section 35, • Amends Rule 5F, Substitutes Rule 11AA – Requirement for approval of institution of fund under clause (vi) of sub-section (5) of section 80G • Substitutes Rule 17A - Application for registration of charitable or religious trusts etc. • Inserts Rule 18AB - Furnishing of Statement of particulars and certificate under clause (viii) and clause (ix) of sub-section (5) of section 80G or under sub-section (1A) of section 35 and Substitutes/Inserts/Amends various Forms. 	cation 19 2021.pdf
39.	Lesson 10 Assessment, Appeals and Revision	<p>Faceless Appeal (Amendment) Scheme, 2021 (Notification No. 26 Dated March 31, 2021)</p> <p>“National Faceless Assessment Centre” shall mean the National e-Assessment Centre set up under the scheme notified under sub-section (3A) of section 143 of the Act or the National Faceless Assessment Centre referred to in section 144B of the Act, as the case may be. In this regard, for the expression “National e-Assessment Centre”, wherever it occurs, the expression “National Faceless Assessment Centre” shall be substituted.</p>	http://egazette.nic.in/WriteReadData/2021/226320.pdf
40.	Lesson 9 Procedural Compliance	<p>Extension of Time for Intimation of Aadhaar and Certain Other Time Limits (PIB Dated March 31, 2021)</p> <p>The extended last date for intimating Aadhaar number under the Income-tax Act, 1961 (the Act) for the purposes of linking Aadhaar with PAN is 31st March, 2021. Keeping in view the difficulties faced by the taxpayers due to wake of the on-going COVID-19 pandemic, the Central Government has issued notification extending the last date for the intimation of Aadhaar number and linking thereof with PAN to 30th June, 2021.</p> <p>The said notification also extended time-limits for issue of notice under section 148 of the Act, passing of consequential order for direction issued by the Dispute Resolution Panel (DRP) and processing of equalisation levy statements to 30th April, 2021.</p>	http://egazette.nic.in/WriteReadData/2021/226312.pdf
41.	Lesson 9 Procedural Compliance	<p>Income-tax (7th Amendment) Rules, 2021 (Notification No. 21 Dated March 31, 2021)</p> <p>The Central Board of Direct Taxes has notified Income Tax Return Forms (ITR Forms) for the Assessment Year 2021-22 vide Notification no.21/2021. Keeping in view the ongoing crisis due to COVID pandemic</p>	http://egazette.nic.in/WriteReadData/2021/226336.pdf

		<p>and to facilitate the taxpayers, no significant change have been made to the ITR Forms in comparison to the last year's ITR Forms. Only the bare minimum changes necessitated due to amendments in the Income-tax Act, 1961 have been made.</p> <ol style="list-style-type: none"> 1. ITR 1 (Sahaj) - For Individuals having income upto Rs. 50 lakh and who receives income from salary, one house property / other sources (interest etc.). 2. ITR 2 - For Individuals and HUFs not having income from business or profession (and not eligible for filing Sahaj). 3. ITR 3 – For Individuals and HUFs having income from business or profession. 4. ITR 4 (Sugam) – For Individuals, Hindu Undivided Families (HUFs) and firms (other than Limited Liability Partnerships (LLPs)) having total income upto Rs. 50 lakh and income from business and profession computed under the presumptive taxation provisions. 5. ITR 5 – For Persons other than individual, HUF and companies i.e. partnership firm, LLP etc. 6. ITR 6 – For Companies 7. ITR 7 – For Trusts, political parties, charitable institutions etc. 	
42.	<p>Lesson 7</p> <p>Computation of Total Income and Tax Liability of various entities</p>	<p>CBDT authorizes DIT (CPC) & CIT (Exemption), Bengaluru under Rule 2C, 5CA, 11AA & 17A (Notification No. 30 Dated March 31, 2021)</p> <p>The Central Board of Direct Taxes hereby authorizes the Director of Income Tax (Centralized Processing Centre), Bengaluru and Commissioner of Income-Tax (Exemption), Bengaluru, for the following purposes, namely</p> <ol style="list-style-type: none"> 1. for receiving applications for provisional registration or registration or provisional approval or approval or intimation in Form 10A 2. for passing order granting provisional registration or registration or provisional approval or approval in Form 10AC 3. for issuing Unique Registration Number (URN) to the applicants 4. for cancelling the approval granted in Form 10AC and Unique Registration Number (URN) 	<p>http://egazette.nic.in/WriteReadData/2021/226349.pdf</p>
43.	<p>Lesson 4</p> <p>Part III</p> <p>PGBP</p>	<p>New reporting requirements in Form 3CD & Revision (Notification No. 28 Dated April 1, 2021)</p> <p>CBDT has vide Notification No. 28 inserted new clauses in Form 3CD (Tax Audit Report) and also notified that Tax Audit Report under Rule 6G can be revised if there is payment by Assessee after furnishing of report which necessitates recalculation of disallowance under section 40 or section 43B of the Income tax Act, 1961.</p>	<p>http://egazette.nic.in/WriteReadData/2021/226351.pdf</p>
44.	<p>Lesson 3</p> <p>Incomes which do not form part of</p>	<p>CBDT notifies 'Norfund, Government of Norway' as sovereign wealth fund [Notification No. 33 Dated April 19, 2021]</p> <p>The Central Government specifies the sovereign wealth fund, namely, the Norfund, Government of Norway, (hereinafter referred to as "the</p>	<p>https://www.incometaxindia.gov.in/communications/notification/notification_33</p>

	Total Income	assessee”) as the specified person for the purposes of sub-clause (vi) of clause (b) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961, in respect of the investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31 st day of March, 2024 subject to the fulfillment of the certain conditions.	2021.pdf
45.	Lesson 9 Procedural Compliance	Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Dividend income [Notification No. 1 Dated April 20, 2021] The Central Board of Direct Taxes (CBDT) notified the Format, Procedure, and Guidelines for submission of Statement of Financial Transactions (SFT) for Dividend income. Section 285BA of the Income Tax Act, 1961 and Rule 114E requires specified reporting persons to furnish SFT.	https://www.incometaxindia.gov.in/communications/notification/notification_1_2021_dividend_income.pdf
46.	Lesson 9 Procedural Compliance	Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Interest income [Notification No. 2 Dated April 20, 2021] The Central Board of Direct Taxes (CBDT) notified the Format, Procedure, and Guidelines for submission of Statement of Financial Transactions (SFT) for Interest income. Section 285BA of the Income Tax Act, 1961 and Rule 114E requires specified reporting persons to furnish SFT.	https://www.incometaxindia.gov.in/communications/notification/notification_2_2021_interest_income.pdf
47.	Lesson 3 Incomes which do not form part of Total Income	CBDT notifies Income-tax (11th Amendment) Rules, 2021 [Dated April 26, 2021] The Central Board of Direct Taxes ‘CBDT’ vide Notification No. 37/2021 issued the Income-tax (11 th Amendment) Rules, 2021 to further amend the Income-tax Rules, 1962 (“Income-tax Rules”) with regard to conditions to be satisfied by the Pension Fund, in a following manner: i. Inserted a proviso to Rule 2DB(ii) with respect to condition of assets being administered or invested by Pension Fund as mention in clause (ii) shall deemed to be satisfied if certain condition specified therein are satisfied. ii. Inserted a second proviso to Rule 2DB(iii) of the Income-tax Rules stating that provisions of clause (iii) shall not apply to earnings from assets referred in clause (ii), if the earning are credited either to the account of the Government of foreign country or to any other account designated by such Government so that no portion of the earnings inures any benefit to any private person. iii. Substituted Form No. 10BBA (Application for notification under Explanation 1©(iv) to Section 10(23FE) of the Income-tax Act, 1961)	https://incometaxindia.gov.in/communications/notification/notification_37_2021.pdf
50.	Lesson 9 Procedural Compliance	Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Depository Transactions [Notification No. 3 Dated April 30, 2021]	https://www.incometaxindia.gov.in/communications/notification/

		<p>Section 285BA of the Income Tax Act, 1961 and Rule 114E requires specified reporting persons to furnish statement of financial transaction (SFT). For the purposes of pre-filling the return of income, CBDT has issued Notification No. 16/2021 dated 12.03.2021 to include reporting of information relating to Capital gains on transfer of listed securities or units of Mutual Funds. The new sub rule 5A of rule 114E specifies that the information shall be furnished in such form, at such frequency, and in such manner, as may be specified. Accordingly, The guidelines for preparation and submission of Statement of Financial Transactions (SFT) information, format of control statement to be submitted by the Designated Director and data structure and validation rules have been prescribed.</p>	notification-3 2021 deposit ory transaction.pdf
51.	<p>Lesson 9</p> <p>Procedural Compliance</p>	<p>Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Mutual Fund Transactions by Registrar and Share Transfer Agent [Notification No. 4 Dated April 30, 2021]</p> <p>Section 285BA of the Income Tax Act, 1961 and Rule 114E requires specified reporting persons to furnish statement of financial transaction (SFT). For the purposes of pre-filling the return of income, CBDT has issued Notification No. 16/2021 dated 12.03.2021 to include reporting of information relating to Capital gains on transfer of units of Mutual Funds. The new sub rule 5A of rule 114E specifies that the information shall be furnished in such form, at such frequency, and in such manner, as may be specified. Accordingly, The guidelines for preparation and submission of Statement of Financial Transactions (SFT) information, format of control statement to be submitted by the Designated Director and data structure and validation rules have been prescribed.</p>	https://www.incometaxindia.gov.in/communications/notification/notification_4_2021_mutual_fund_transaction.pdf
52.	<p>Lesson 2</p> <p>Basic concepts of Income Tax</p>	<p>Thresholds for the purposes of Significant Economic Presence - Rule 11UD [Notification No. 41 Dated May 3, 2021]</p> <p>The Central Board of Direct Taxes has notified the Income-tax (13th Amendment) Rules, 2021 which shall come into force from 1st April 2022. Through this amendment a new rule 11UD has been inserted which notifies the threshold for significant economic presence.</p> <p>As per the new rule, for the thresholds “the amount of aggregate of payments arising from transaction or transactions in respect of any goods, services or property carried out by a non-resident with any person in India, including provision of download of data or software in India during the previous year, shall be two crore rupees.”</p> <p>Further, the number of users with whom systematic and continuous business activities are solicited or who are engaged in interaction shall be three lakhs.</p> <p>Accordingly, the threshold limit has been notified for the purpose of significant economic presence.</p>	https://www.incometaxindia.gov.in/communications/notification/notification_41_2021.pdf

53.	Lesson 9 Procedural Compliance	CBDT notifies Amendment in Rule 114AAB and Form No. 49BA [Notification No. 42 Dated May 4, 2021] CBDT relaxes PAN requirement for a non-resident eligible foreign investor making transaction only in a capital asset listed on a recognised stock exchange located in any IFSC and consideration paid in Foreign Currency.	https://www.egazette.nic.in/WriteReadData/2021/226833.pdf
54.	Lesson 4 (Part I) Salary Income	CBDT notifies rules for LTC Cash Voucher Scheme [Notification No. 50 Dated May 5, 2021] CBDT notifies rules for LTC (Leave Travel Concession) Cash Voucher Scheme [Section 10(5)] vide which LTC Exemption of Rs. 36000 per family member For FY 2020-21 available to Employees of Both Private & Government Sector. Rules are notified by inserting Sub-Rule 1A & IB in Rule 2B of Income Tax Rules as follows: Sub-Rule 1A: For the assessment year beginning on the 1st day of April, 2021, where the individual avails any cash allowance from his employer in lieu of any travel concession or assistance, the amount exempted shall be the amount, not exceeding thirty-six thousand rupees per person, for the individual and the member of his family, or one-third of the specified expenditure, whichever is less, subject to fulfilment of the certain conditions. Sub-Rule 1B: Where an exemption is claimed and allowed, shall have effect as if for the words “two journeys” , the words “one journey” has been substituted.”	https://www.egazette.nic.in/WriteReadData/2021/226843.pdf
55.	Lesson 3 Incomes which do not form part of Total Income	CBDT notifies following entities as Sovereign Wealth Fund The Central Government hereby specifies the following entities as the specified person for the purposes of the sub-clause (vi) of clause (b) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 in respect of the investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 (hereinafter referred to as “said investments”) subject to the fulfilment of the certain conditions. Accordingly, the following entities have been notified as specified person for the purposes of the sub-clause (vi) of clause (b) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961. <ul style="list-style-type: none"> • Anahera Investment Pte. Ltd • Dagenham Investment Pte. Ltd. • Stretford Investment Pte. Ltd. • Chiswick Investment Pte. Ltd • CDC Group Plc • Ministry of Economy and Finance (of the Republic of Korea) • Bricklayers Investment Pte. Ltd 	-

56.	Lesson 3 Incomes which do not form part of Total Income	Government notifies following entities as Pension Fund Section 10(23EE) The Central Government hereby specifies the pension fund, namely, the following entities (as mentioned below) as the specified person for the purposes of the sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 in respect of the eligible investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 (hereinafter referred to as “said investments”) subject to the fulfillment of the certain conditions. <i>Accordingly, the following entities have been notified as specified person for the purposes of the sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961.</i> <ul style="list-style-type: none"> • <i>OMERS Administration Corporation</i> • <i>Government Employees Superannuation Board</i> • <i>Public Sector Pension Investment Board</i> • <i>CDPQ Fixed Income XI Inc.</i> • <i>Ivanhoe Logistics India Inc</i> • <i>CDPQ Infrastructures Asia III Inc.</i> • <i>Caisse de dépôt et placement du Québec</i> • <i>Canada Pension Plan Investment Board Private Holdings (4) Inc</i> • <i>Canada Pension Plan Investment Board</i> 	
57.	Lesson 4 (Part III) Capital Gains	Income-tax (16th Amendment) Rules, 2021 [Notification No. 68 Dated May 24, 2021] The Central Board of Direct Taxes on 24th May 2021 has published the Income- tax (16th Amendment) Rules, 2021 which has notified a new rule for computation of fair value of capital assets in slump sale. <i>As per the Amendment a new rule 11UAE has been inserted which provides two formulae for calculation of fair market value of the capital asset. The FMV1 shall be the fair market value of the capital assets transferred by way of slump sale determined and FMV2 shall be the fair market value of the consideration received or accruing as a result of transfer by way of slump sale.</i>	https://www.incometaxindia.gov.in/communications/notification/notification_68_2021.pdf