

Some due dates that do not appear to be extended and some relaxations that do not appear to have been granted by Ministry of Finance Vide Press Release Dated 24-03-2020

A. INCOME TAX

S. No.	Particulars	Consequences	Action Points
1	No embargo on recovery proceedings under Income Tax Law.	No relief has been provided with respect to recovery proceedings in the said announcement yesterday. Hence, order u/s 226(3)/281B of the Act can be issued by the officers even during lockdown.	The Government may not take coercive steps keeping in view the pandemic, however, it is suggested that stay of demand letters should be filed in all cases of demand and assessee/authorized representative should keep in touch with concerned officers/bank officials to avoid any scenario of bank attachment etc.
2	Due date for payment of TDS for the month of March 2020 has not been extended. Relief has been granted in respect to reduced interest to be charged for the default.	Interest at reduced rate of 0.75% p.m. as against current rate of 1.5% p.m. will be charged for delayed payment of TDS made between 20th March 2020 and 30th June 2020. However, non-deposit of TDS	TDS for the month of March 2020 should be paid by 30 th April to avoid any interest payment and also prosecution proceedings under Section 276B.

		<p>within due date maybe liable to prosecution proceedings under Section 276B. No immunity has been provided from prosecution proceedings in this case.</p>	
3	<p>Manner of calculation of interest under Section 234B of the Act for F.Y. 2019-20 has not been amended. Relief has been granted in respect of reduced interest to be charged for the default.</p>	<p>In case 90% of advance tax payable is not paid by 31st March 2020, interest @ 0.75% p.m. as against current rate of 1% p.m. will be charged upto 30th June 2020 and beyond that interest @ 1% p.m. will be charged.</p>	<p>It is suggested that atleast 90% of the advance tax payable for F.Y. 2019-20 should be paid by 31st March 2020 in order to avoid any interest payment u/s 234B of the Act.</p>

B. GOODS AND SERVICES TAX (GST)

S. No.	Particulars	Consequences	Action Points
1	No embargo on recovery proceedings under GST law	Department officers will carry on recovery procedures as per normal provisions.	Not a lot can be done to prevent attachment of bank account except trying to stay in touch with the concerned officer and bank officials.
2	Due date for filing GSTR 3B for the months of February, March and April 2020 for taxpayers having turnover of Rs 5 crores or more has not been extended. Relief has been granted with respect to interest, late fee and penalty for the default.	If taxpayers having turnover of Rs 5 crores or more do not file GSTR 3B and consequently not make GST payment for the months of February, March and April 2020 by the due date, interest will be charged at 9% p.a under IGST or 4.5% each under CGST & SGST, as the case may be from 15 days after due date (current interest rate is 18% p.a). Late fee and penalty has been waived.	In order to avoid interest liability, GSTR 3B needs to be filed as under: a) Feb 2020- by 4th April 2020 b) March 2020- by 5th May 2020 c) April 2020- by 4th June 2020

3	The operation of Rule 36(4) of the CGST rules has not been suspended. Rule 36(4) requires that only that much Input Tax Credit (increased by 10% of credit reflecting) as is shown in GSTR 1 by the vendor can be claimed while paying GST	The due date for filing of GSTR 1 for all taxpayers for the month of February, March and April 2020 (for those who have opted for monthly returns) has been extended to 30 June 2020. In such a situation, no taxpayer will file GSTR 1 - resulting in the recipient being unable to claim ITC.	a) <u>Taxpayer is having turnover below Rs 5 Crore</u> As no interest liability (as per point 3 above), may opt to file GSTR 3B by 30th June 2020 by paying tax on Net GST liability b) <u>Taxpayer is having turnover of Rs 5 Crore or more</u> In these cases, gross GST liability will be required to be paid (if GSTR 3B is filed within the time limit as specified in point 3 above) in order to avoid interest/ other consequences.
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C. REGULATORY COMPLIANCES

S. NO.	Particulars	Consequences	Action Points
1	There are some due dates for various compliances under Foreign Exchange Management (FEMA) Law which have not been extended.	In case compliances under FEMA Law such as filing of Form FCGPR, FCTRS, income repatriation to India like dividend, royalty etc. within the specified period provided under FEMA Act are not complied with, then there may be penal consequences.	As far as practically possible, compliances under FEMA need to be completed by Individual/entity from their end via emails/any other online platform possible. If the bank is unable to complete at their end, emails should be written to AD bank/RBI for follow up. This will help in justifying the delay to RBI/AD bank for any penal consequences.

DISCLAIMER:

The information contained herein is in summary form based on public address of Hon'ble Finance Minister and Press release thereto dated 24th March 2020. The said information should be read with final legal circulars and legislative amendments giving effect to above changes. While the information is believed to be accurate to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information. We accept no responsibility for any errors it may contain or for any loss, howsoever caused or sustained, by the person who relies on it.