



COVID – 19 Stimulus by FM

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Key Tax Highlights

March 24, 2020

Relaxation of Compliances amidst uncertainty of COVID-19



In the midst of imposition of various restrictions on days to day life of a common man, the most worried lobby were the tax practitioners, chartered accountants and company secretaries. There were various compliances which were to be made during this time especially 31/03/2020 being the year closure. The worried lobby in addition to making compliances were most concerned about the fact that the offices need to remain close, the staff (including clients' staff) to work from home with very limited access to data. The Ministry of Finance realizing the need of the hour, has decided to extend various due dates to 30/06/2020 especially providing much needed relaxations to the MSME's.

We at ConsultingEdge have tried to summarize the announcements made by the Finance Minister to keep you updated with the changes affecting you or your business.



▶ Goods & Services Tax



Extension In Filing GST Returns

GSTR-3B For the month of:	Due Date (Current)	Due Date (Extended)
March 2020	20/04/2020	
April 2020	20/05/2020	30/06/2020
May 2020	20/06/2020	

All Due Dates are in Staggered Manner

GSTR-9 and 9C	Due Date (Current)	Due Date (Extended)
FY 2018-19	31/03/2020	30/06/2020



Interest, Penalties and Late Fees Waiver

Particulars	Turnover < 5 Crores	Turnover < 5 Crores
Interest	Waived	For any delayed payment made between 20th March 2020 and 30th June 2020 reduced rate of interest @ 9% p.a. (current interest rate is 18 % p.a.) will be charged
Penalty	Waived	Waived
Late Fee	Waived	Waived

Please note that due date of making payment of tax has not been extended. Mere above relaxations have been provided.



Relaxation for Composition Dealers

Date for opting for composition scheme is extended till the last week of June 2020. Further, the last date for making payments for the quarter ending 31/03/2020 and filing of return for FY 2019-20 by the composition dealers will be extended till the last week of June, 2020



Extension of Time limit Other Compliances

Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents, time limit for any compliance under the GST laws where the time limit is expiring between 20/03/2020 to 29/06/2020 shall be extended to 30/06/2020.



Extension for Payment under Sabka Vishwas Scheme

Payment date under Sabka Vishwas Scheme shall be extended to 30/06/2020. No interest for this period shall be charged if paid by 30/06/2020.



Direct Taxes and

- ▶ **Corporate Affairs**



Extension in Due dates under Income Tax

- Last date for filing Income Tax Return for FY 2018-19 extended from 31st March 2020 to 30th June 2020. Interest on delay payment reduced from 12% to 9%
- Aadhaar-PAN linking date to be extended from 31st March, 2020 to 30th June, 2020.
- Vivad se Vishwas scheme - no additional 10% amount, if payment made by June 30, 2020.
- Investments in savings instruments can be done by taxpayer upto 30th June 2020.
- Investments of roll over benefit of capital gains will be extended upto 30th June 2020.
- All Notices, Intimations, Orders, Appeals, Returns, Reports which are to be submitted in the month of March 2020, now due date extended to 30th June 2020.



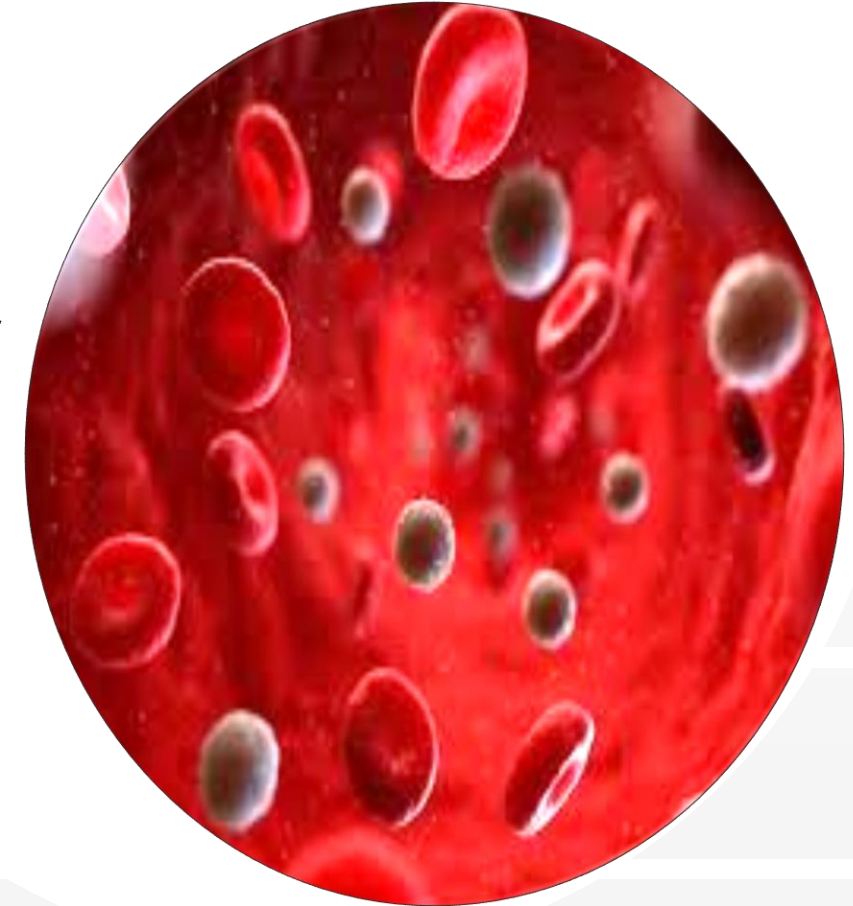


Reduced Interest Rates for delayed payments under Income Tax

- For delayed payments of advanced tax, self-assessment tax, regular tax, TDS, TCS, equalization levy, STT, CTT made between 20th March 2020 and 30th June 2020, reduced interest rate at 9% instead of 12 %/18 % per annum (i.e. 0.75% per month instead of 1/1.5 percent per month) will be charged for this period.
- No late fee/penalty shall be charged for delay relating to this period.

Corporate Affairs (MCA)

- MCA-21 registry allows moratorium from 01/04/2020 to 30/09/2020 : No additional fees for late filing
- Board Meetings requirement relaxed for a period of 60 days till next 2 quarters
- CARO (Companies Auditors Report Order) 2020, made applicable to FY 2020-21 instead of FY 2019-20
- For FY 2019-20 : Not holding of meeting of Independent Directors shall not be seen as a violation
- Newly incorporated companies allowed additional 6 months to file declaration for commencement of business.
- Non-compliance with minimum residency rule of 182 days for at least one of the Directors of a Company u/s 149(3) shall not to be considered as violation
- Creation of Deposit Reserve of 20% for deposit maturing in FY 2020-21-extended from 30/04/2020 to 30/06/2020
- Requirement to invest 15% of debentures maturing during a particular year in specified instruments extended from 30/04/2020 to 30/06/2020



Thank You

We wish you a healthy
and safe time

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