

From The Editor's Desk

All's well that ends well - The season of due dates!

"December" the month of white snowy flakes, Christmas trees, bright lights and the sound of jingles. It's that time of the year, again!

This December did bring the sound of jingles, in the form of due dates. December noted the most tedious and overwhelming month for Chartered Accounts, as the date for completing the GST Annual returns & Audit for FY 2018-19 and Income Tax Return filing for non-tax audit assesses concluded on 31st December 2020.

The quote really shines on the mind set of the JVR family. Amidst the quarantine regulations, JVR, indeed brought the best out of itself. The young lads along with their partners worked seamlessly to attain what was thought unachievable, achievable!

2020 has been the year of survival, triumph over trials, hope, positive attitude and the fighting spirit. The coming days are for effective planning and its execution, sincere and timely efforts to achieve the desirable results. So, lets come together to explore the new pathways to be confident, competent and stand out to the expectations.

The November 2020 results of CA Finals showed tremendous achievement by our students & JVR produced 8 Chartered Accountants - CA Emil P Jojo, CA Adil Farzeen, CA Merina Elezabath Alexander, CA Sanjay Shenoy, CA George Joseph, CA Jemin K James, CA Jassim Assis & CA Sandra Raju. Anu Jojan & Adarsh Geo Joseph cleared single group as well. Our hearty congratulations to each and everyone who have come out with flying colours.

As we set new goals for the coming year, JVR extends its heartiest wishes for a prosperous New Year!

"The strength of the team is each individual member. The strength of each member is the team" - Phil Jackson.

Have a nice read folks...

THEY MADE IT



CA Emil P Jojo



CA Adil Farzeen



CA Sanjay Shenoy



CA George Joseph



CA Jemin K James



CA Jassim Assis



CA Sandra Raju



CA Merina Elezabath Alexander

GOODS AND SERVICES TAX - UPDATES

- E-invoicing is mandatory from January 1, 2021 for every taxpayer other than SEZ unit whose aggregate turnover in any of the financial year from 2017-18 exceeds Rs 100 Crores.
- Auto-population of system computed details in Form GSTR-3B, has been enabled for taxpayers (filing their Form GSTR-1 on monthly basis), from November 2020 tax period onwards
- A facility for `Communication Between Taxpayers' has been provided on the GST Portal, for sending communications regarding missing documents or any shortcomings in the documents or any other issues related .
- E-Way Bill generation facility to be blocked for all taxpayers who fails to file GSTR-3B for 2 or more tax period from December 1, 2020.
- E-Way Bill will have only one day validity to cover a distance up to 200 kms which was earlier 100 km.
- ITC entitlement for invoices not furnished by supplier reduced from 10% to 5%.
- The due date for filing Annual Return & Audit for financial year 2019-20 extended to 28.02.2021.

QUATERLY RETURN FILING & MONTHLY PAYMENT OF TAXES (QRMP) SCHEME

Quarterly return filing & Monthly payment of taxes scheme is introduced for taxpayers with aggregate turnover less than Rs 5 crores w.e.f. Jan 2021. Any person obtaining a new registration or opting out of Composition Scheme can also opt for this scheme.

• Payment of tax under the scheme:

The registered person under the QRMP Scheme would be required to pay the tax due in each of the first two months of the quarter by depositing the due amount in **FORM GST PMT-06**, by the **twenty fifth day** of the month succeeding such month.

The said person can use any of the following two options provided below for monthly payment of tax during the first two months –

1. Fixed Sum Method: A facility is being made available on the portal for generating a pre- filled challan in FORM GST PMT-06 for an amount equal to:

- **thirty five per cent** of the tax **paid in cash** in the preceding quarter where the return was furnished quarterly; or
- the **tax paid in cash in the last month** of the immediately preceding quarter where the return was furnished monthly.

2. Self-Assessment Method: This is the existing method where a taxpayer can pay the tax liability by considering the tax liability on inward and outward supplies and the input tax credit available. The taxpayer has to manually arrive at the tax liability for the month and has to pay the same in form GST PMT-06. For ascertaining the amount of ITC available for the month the taxpayer can use form GSTR-2B.

• Submission of details of outward supplies

The taxpayers who opted for the QRMP scheme can use the Invoice Furnishing Facility (Optional) which allows quarterly GSTR-1 filers to upload their invoices every month. One should keep the following points in mind before utilizing the IFF:

- The IFF can be utilized only for the first two months of a quarter.
- The invoices relating to the last month of a quarter are to be uploaded in the GSTR-1 return only.
- There is no requirement to upload invoices in GSTR-1 if the same has been uploaded in the IFF.
- The taxpayer has to submit the B2B invoice details of sale transactions (both inter-state and intra-state) along with debit and credit notes of the B2B invoices issued during the month.
- The total net value of invoices that can be uploaded is restricted to Rs.50 lakh per month.
- The details submitted in IFF will be reflected in the GSTR-2A, GSTR-2B, GSTR-4A or GSTR-6A of the recipients as the case may be.

• Return Due Dates

Category of Taxpayers	GSTR-1	Invoice Filing Facility	GSTR-3B
Taxpayers who are required to file monthly returns	11th of the following month	NA	20th/22nd/24th of the following month
Taxpayers who have opted for QRMP Scheme	13th day of the month following the quarter	13th of the following month	22nd / 24th of the month following the quarter

BUDGET PROPOSALS - 2021

Direct Tax

- **Tax Audit under Section 44AB:** The turnover limit for tax audit is proposed to be enhanced to Rs.10 crores, if 95% of the transactions are in digital mode.
- **TDS on purchase of goods (Section 194Q):** Any person, being a buyer (whose turnover exceeds 10 crores in the immediately preceding FY) responsible for paying any sum to a resident seller for purchase of goods of value exceeding Rs.50 lakhs, shall be liable to deduct TDS at 0.1% (5% is PAN not available) on amount exceeding Rs.50 Lakhs.
- **TDS Non - Filer (Section 206AB):**TDS on payments made to specified persons (a person who has not filed return of income for two assessment years relevant to PY in which tax is required to be deducted, Rs. 50,000/- or more in each of the two previous years) will be deducted at twice the rate specified in respective sections or at the rate of 5%, whichever higher.
- **IT relaxation for senior citizens of 75 years age and above:** It has been proposed to exempt the senior citizens from filing income tax returns if pension income and interest income are their only annual income source.
- **Reduction in time for IT Proceedings:** Except in cases of serious tax evasion, assessment proceedings in the rest of the cases shall be reopened only up to three years, against the earlier time limit of six years.
- **Tax incentives to startups:** The tax holiday for startups has been extended by one more year up to 31st March 2022.
- **Presumptive Taxation:** LLP's not permitted to avail the benefits of Section 44ADA.
- **Disallowance of PF contribution:** In case the employee's PF contribution was deducted but not deposited by the employer within the due date, it will not be allowed as a deduction for the employer.
- **Time limit for Belated/Revised Return:** Due date for filing belated/revised return proposed to be reduced by 3 months.
- **Pre-filing of IT returns:** Pre-filled data will be available w.r.t salary, tax payments, TDS, details of capital gains from listed securities, dividend income, interest from banks and post office.

Goods and Services Tax

- **GSTR 9C-GST Audit:** Mandatory requirement provided under Section 35(5) for getting annual accounts audited and the reconciliation statement submitted by specified professional (subject to condition) is proposed to be removed.
- **SEZ provisions amended:** The zero rated supplies made to special economic zone would be valid only when such supplies are for authorized operations
- **Filing of Annual return on self-certification basis:** The requirement of furnishing GSTR-9 (Annual Return) to be replaced with a self- certified reconciliation statement.
- **Additional eligibility condition to avail ITC:** Input tax credit on invoice or debit note may be availed only when the details of such invoice or debit note have been furnished by the supplier in the statement of outward supplies.
- **The coverage of the expression supply has been further enhanced:** A new clause (aa) Section 7 of the CGST Act is being inserted, so as to ensure levy of tax on activities or transactions involving supply of goods or services by any person, other than an individual, to its members or constitutes or vice-versa, for cash, deferred payment or other valuable consideration.
- **Interest on Net Cash Liability:** Interest will be charged on delayed payment of GST on net cash liability with effect from 01-07-2017.
- **Pre-deposit of 25% of penalty for filing Appeal:** No appeal shall be filed against an order made under sub-section (3) of section 129, unless a sum equal to twenty-five per cent. of penalty has been paid by the appellant.

LIVE SCREENING OF UNION BUDGET 2021





December to Remember.....



This year has been a year of relative solitude and unprecedented events. Amidst these catastrophic events, JVR did not let the pandemic dampen the joy of Christmas. We welcomed the month on a modest note with the same old Christmas spirit. The new comers decorated the Christmas tree with colourful lights and ornaments. The crib too had its own unique look with a touch of tradition. The celebrations were kept minimal as a precaution amid the pandemic, which was followed by Christmas messages from our dear partners.



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