

Editor's Word!

Hello JVRites,

"Extreme people get extreme results." - Sam Altman

In the aurora of GST & Tax Audit season, with immense pleasure we present to our readers 32nd edition of Echo.

Ever since GSTR 9 & GSTR 9C forms have been released by CBIC, there has been persistent confusions. We at JVR continually strive to ensure that we get the best resources for seeking knowledge/information and GSTR 9 & GSTR 9C seminar was conducted to get the best out of ourselves. We the young minds with greater enthusiasm and courage were ready to face the challenges set in front in all possible ways.

In this edition of Echo, we discuss the highlights from 35th GST council meeting, & Budget 2019, amendments in the ESI rates and the modifications in the Income Tax Returns and help you to file them.

Wishing you all a good read.

Biweekly Study Circle



GST UPDATES

Key highlights from 35th GST Council Meeting

- **GST Annual Return due date extended till 31st August, 2019 for FY 2017-18**

The due date for filing of GSTR-9, GSTR-9A, and GSTR-9C for the FY 2017-18 has been extended by two months, till 31st August, 2019.

- **E-invoicing to start from January, 2020**

The new system for raising all tax invoices on the GST portal has received in-principle approval for implementation from 1st January 2020. This will be applicable to B2B supplies and no separate e-way bill will be required in case of e-invoice.

- **E-ticketing mandatory for multiplexes**

The GST council approved the electronic ticketing system, for multiplexes, having multi-screens. This move is to ensure no tax evasion and the use of black tickets that have been prevalent.

- **GSTAT to be GST Appellate Tribunal**

The GST council stated the Goods & Services Tax

Appellate Tribunal will be the appellate authority and will adjudicate on appeals arising from central and state tax authorities 'in-house dispute resolution system.

- **E-way bills to be blocked, on non-filing of GST returns**

E-way bill generation will be blocked for taxpayers, where GST returns in GSTR-3B/GSTR-4 is not filed for two consecutive tax periods. This shall come into effect from 21st August 2019.

- **Extension of other Due Dates**

Form	New Date
ITC-04 for July 2017-July 2019	31st August 2019
CMP-02 for opting into the composition scheme for service providers under Notification 2/2019	31st July 2019

- **National Anti-profiteering Authority tenure extended by two years**

Tenure of NAA was due on 30th November 2019. The Council has further extended this tenure by two years, to enable it to take up all the pending cases.

KEY TAKEAWAYS-ESI NOTIFICATION

Notification No. GSR 423(E) – Amendment to Rule 51 of ESI (Central Rule), 1950 dated 13th June 2019

The change in ESI contribution rates shall come into force from 1st day of July, 2019.

Contribution	Existing Rate	Revised Rate
Employer Contribution	4.75%	3.25%
Employee Contribution	1.75%	0.75%

Elbin George

KEY CHANGES IN INCOME TAX RETURNS FOR AY 2019-20

The Central Board of Direct Taxes (CBDT) has notified the income tax return (ITR) forms applicable to Assessment Year 2019-20. The new forms incorporate the changes made by Finance Act, 2018 in the Income tax Act, 1961.

Common clauses added/modified in the ITR Forms

1. The following individuals have been specifically excluded from filing ITR-1:
 - (a) who is a Director in a company
 - (b) who has invested in unlisted equity share in a company
 - (c) who has claimed any deduction against income from other sources (other than family pension)

(d) who is assessable for any income on which tax has been deducted at source in hands of any other person.

2. The following individuals have been specifically excluded from filing ITR-4:
 - (a) who is a director in a company
 - (b) who is holding unlisted equity share in a company
3. The number of days of stay in India must be specified along with the individual's residential status, which is a new requirement applicable from AY 2019-20.
4. The individual tax payers who are directors of companies are now required to furnish the

following additional details:

- (a) Company name,
 - (b) PAN,
 - (c) Whether shares of company are listed
 - (d) Director Identification Number
5. The tax payer who holds unlisted shares at any time during the year is required to submit specified details such as:
 - (a) Name and PAN of the company
 - (b) Details of opening balance and closing balance, in relation to shares acquired during the year
 - (c) Date of purchase
 - (d) Face value of share
 - (e) Issue price per share in case of fresh issue and purchase price per share in case of secondary acquisition.
 6. In case the net agricultural income exceeds Rs.5,00,000/-, following details should be provided for each agriculture land separately:
 - (a) Name of district along with pin code in which agriculture land is located
 - (b) Measurement of agricultural land in Acre.
 - (c) Whether the agricultural land is owned or held on lease
 - (d) Whether the agricultural land is irrigated or rain fed
 7. Information regarding Turnover/Gross receipts as per GST return filed such as GSTIN and annual value of outward supplies, is now applicable for ITR-3, ITR-5, ITR-6 which was earlier limited to ITR-4.
 8. The disclosure in respect of transfer of immovable property is required to be submitted such as name and PAN of buyer, address of property, and in case of more than one buyer, percentage of shares and amount of each buyer..
 9. The standard deduction of Rs. 40,000/- can be claimed from salary income .It has replaced the transport allowance and medical reimbursement from AY 2019-20.
 - 10.An additional option of 'deemed let out' has been included in the type of house property details.

KEY HIGHLIGHTS OF UNION BUDGET 2019

- Resident individuals whose total income does not exceed Rs.5 lakhs shall be entitled to deduction from the amount of income tax, of an amount equal to 100% of income tax or Rs.12,500, whichever is lower. (Section 87A)
- The slab rate for surcharge in case of individuals has now been expanded.

Total Income	Surcharge rate
Upto 50 lakhs	Nil
50 lakhs to 1 crores	10%
1 crores to 2 crores	15%
2 crores to 5 crores	25%
More than 5 crores	37%

- The tax rate of 25% is applicable for domestic companies if the turnover or gross receipts of the company does not exceed Rs.400 crores.
- The clause 12A of section 10 has been amended by which sixty percent of the total amount payable to an individual from National Pension System Trust is not required to be included in the total income.
- A new clause 'da' has been inserted in section 43B by which interest on loan /borrowing from

a NBFC D & NBFC SI ND shall be allowed as deduction only on actual payment.

- Taxability of interest income on bad & doubtful debts on receipt basis is extended to NBFC D & NBFC SI ND.(Section 43D)
- Amendment to Section 80CCD(2)-Employees shall be allowed to claim deduction of 14% of Central Government contribution to NPS/APY.

● Section 80EEA

The interest on loan for acquisition of residential house property by an individual can be claimed upto Rs.1.5 lakhs subject to following conditions:

- the loan is sanctioned between 01.04.2019 & 31.03.2020
- the stamp duty value shall not exceed Rs.45 lakhs
- shouldn't have claimed deduction under section 80EE
- and also he doesn't own any residential house property on date of sanction of loan.

● Section 80EEB

The interest on loan for purchase of electric

vehicle by an individual can be claimed as deduction upto Rs.1.5 lakhs provided the loan is sanctioned between 01.04.2019 & 31.03.2023.

- The following assesses should also file return of income u/s 139:
 - Person who has deposited amount (an amount/aggregate) exceeding Rs. 1 crore in one or more bank accounts
 - Person who has incurred expenditure (an amount/aggregate) exceeding Rs. 2 lakhs for foreign travel (for himself or others)
 - Person who has incurred expenditure (an amount/aggregate) exceeding Rs. 1 lakhs towards consumption of electricity.
 - Person whose income falls below BEL due to

claim of rollover benefit of CG (Section 54,54B, 54D, 54EC, 54F, 54G, 54GA, 54GB)

• Section 194M

Any person being an individual or HUF ,not covered under 194C & 194J who is responsible for paying any sum to any resident for carrying out any work (including supply of labour) in pursuance of a contract by way of fees for professional services shall at time of credit or payment of whichever is earlier deduct the TDS @5%.The threshold limit will be Rs.50 lakhs , TAN is not required for remitting this TDS amount.

• Section 194N

TDS @ 2% will be applicable on cash withdrawals exceeding Rs.1 crore.

Pearl Francis

IFTAR @ JVR

Ramadan is the holy month in which Muslims all around the world fast from dawn to sunset. The significance is that it was during this month, the holy book, the Quran was revealed to the prophet Muhammed P.B.U.H for the foremost time. Muslims fast during this month to testify their respect to the act. Ramadan is the ninth month of the Arabic calendar called Hijra. During the month, Muslims abstain from food, drinks and entertainment while fasting and aim to focus more on their religion. Fasting during the month teaches a lot of lessons of patience, giving, gratefulness, kindnesses and above all realizing the blessings one has experienced.

The iftar gathering took place on May, 31st Friday. The gathering was lead by an opening speech from our managing partner, Jomon Sir. Followed by Iysha, who threw a short insight about iftar and eid. Along with our Partners, staff, and articles, we were accompanied by two special guests during the evening- Navas Sir (Chairman Eastern Group) & Sherin Ma'am. Iftar began with a range of scrumptious delights and the rest of the evening was spent in the fellowship of friends and colleagues.

Hope the light of Ramadan ignites all of us to be our own better version. We wish you all Ramadan Kareem and Eid Mubarak.

Ardra John



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