

NDA Update on relaxations under Direct Tax announced on 13-05-2020

Reduction of rate of TDS / TCS

Rates of Tax Deduction at Source (TDS) on payments (other than salary) made to residents and rates of Tax Collection at Source (TCS) on specified receipts shall be reduced by 25% of the existing rates. This reduction shall be applicable from 14th May, 2020 to 31st March, 2021.

Clarity will be needed in respect of rate of TDS on non PAN cases.

Extension of due date of filing of Income Tax Return (ITR) & Tax Audit Report (TAR)

Due date of filing of income-tax return for FY 2019-20 falling due on 31st July, 2020 & 31st October, 2020 extended to 30th November, 2020

Due date of filing Tax Audit Report falling due on 30th September, 2020 extended to 31st October, 2020

However, no relief has been announced in respect of cases involving transfer pricing so far as filing of ITR & TAR is concerned.

Income Tax Assessment

Income tax assessment getting time barred on 30th September, 2020 extended up to 31st December, 2020.

Income tax assessment getting time barred on 31st March, 2021 extended up to 30th September 2021.

Relief under Vivad se Viswas Scheme

Period for making payment *without additional amount* under Vivad se Vishwas Scheme will be extended to 31st December, 2020.

Issuance of refunds

All pending refunds to charitable trusts and non corporate businesses & professions including proprietorship, partnership, LLP and Co-operatives shall be issued immediately.