

FAQS

on Taxes & Related ISSUES



Dr. Suresh Surana, founder, RSM Astute Consulting Group, answers readers' queries on various issues pertaining to taxes that need to be paid by the jewellers. Readers are encouraged to send in their questions and receive clarifications through this column.

? We are a Listed Corporate engaged in the business of trading of diamonds. Due to the pandemic situation, we were unable to fulfill the TDS/TCS compliances for the last quarter of FY 2019-20. We would like to know of any extension of relaxations pertaining to the same offered by the Government?

The Government has further extended the due date for filing of TDS/TCS returns for the last quarter of FY 2019-20 to 31 July 2020. Accordingly, even the due date for issuance of TDS/ TCS certificates pertaining to FY 2019-20 (AY 2020-21) has been revised to 15 August 2020.

The interest on any default pertaining to TDS/TCS was to be levied at a concessional rate of 9% for such payments of TDS/TCS which were due between 20 March 2020 and 29 June 2020. However, the said concessional rate would be applicable only if the payment is made upto 30 June 2020. Thus, it is pertinent to note for payments made post 30 June 2020, the interest rates would be revised to 12%/18% as applicable. Moreover, specified non-salaried payments to

residents made during the period 14 May, 2020 to 31 March, 2021 would be applicable at the applicable rate which would be reduced by 25%.

? We are a Partnership engaged in the trading and manufacturing of Gold Jewellery. We do hold any current MSME registration but fall within the revised MSME. Kindly guide us on the registration procedure as an MSME as per the revised guidelines.


MSMEs are also known as Micro, Small and Medium Enterprises. The MSME Registration would be required to be done on the Udyam Registration portal by way of filing up and submission of the necessary form on completion of which, a permanent identity number known as Udyam Registration number and Udyam Registration certificate would be provided to the enterprise.

However, In case of any discrepancy or complaint, the concerned authority shall undertake an enquiry for verification of the details of Udyam Registration submitted by the enterprise and thereafter forward the matter with

necessary remarks to the Director or Commissioner or Industry Secretary concerned of the State Government who after issuing a notice to the enterprise and after giving an opportunity to present its case and based on the findings, may amend the details or recommend to the Ministry of MSME for cancellation of the Udyam Registration Certificate.

In case of a Partnership firm, Aadhaar number of the Managing Partner would be mandatorily required to be provided at the time of registration. However, in case of lack of Aadhaar, the firm may approach any of the Single Window Systems for Udyam Registration purposes with his Aadhaar enrolment identity slip or copy of Aadhaar enrolment request or bank photo pass book or voter identity card or passport or driving licence and the Single Window Systems will facilitate the process including getting an Aadhaar number and thereafter in the further process of Udyam Registration.

Such registration would not be on a chargeable basis. However, it is necessary for every applicant to provide the correct information on the portal as any intentional misrepresentation or attempts to suppress the self-declared facts and figures appearing in the Udyam Registration or update process shall be liable to a penalty

 We are a Private Company engaged in the business of manufacturing and Trading of Gems & Jewellery. We understand that due to the COVID-19 crisis, the Government had provided extension of timeline to 30 June 2020 to the taxpayers for making eligible investments under Chapter VIA or u/s 54 to 54GB of the IT Act. Whether there has been any further extension of the same?

The due date for making investments/ payment for claiming deduction under Chapter VIA- Part B (i.e. Deduction in respect of certain payments) of IT Act which includes Section 80C (PPF, NSC etc.), 80D (Mediclaime), 80G (Donations), etc. of the Act has been extended from 31 March, 2020 to 31 July 2020.

Also, the due date for Investment/ construction/ purchase for claiming roll over benefit/ deduction in respect of capital gains under sections 54 to 54GB of the IT Act has now been revised to 30 September 2020.

Also, it is worthwhile to note that there is no increase in the threshold limits for the investment despite of extension of time limit of investments.



I have a sole proprietary concern and the business constitutes of trading of silver ornaments. I have suffered business losses over the last few months and have tax liability of less than one lakh (after considering the advance tax & TDS). What would be the due date for Payment of the self assessment tax and also guide me on the interest u/s 234A of the Act?

Payment of Self-assessment (SA) (after consideration of payment of Advance Tax and TDS) tax in case of a taxpayer whose self-assessment tax liability does not exceed Rs. 1 lakh has been extended to 30 November 2020.

Also, the interest u/s 234A of the Act would be waived off in case the SA Tax is upto Rs. 1 lakh and the payment for the same is made by 30 November 2020. However, such relaxation would not be available where the SA Tax liability is exceeding Rs. 1 lakh and the applicable interest u/s 234A of the IT Act would be charged.



We are an Indian entity engaged in the trading and manufacturing of Gold and Silver Jewellery. Kindly guide us on the extension of timelines for Belated and revised returns for FY 2018-19 (AY 2019-20).

The Government had passed 'The Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance 2020' on 31 March 2020 which provided certain relaxations and relief measures. As per the ordinance, the due dates filing returns and other compliances falling within 20 March 2020 and 29 June 2020 has been extended to 30 June 2020. As such, the due date for filing income tax returns (belated and revised returns for FY 2018-19) was extended to 30 June 2020. However, the CBDT has now further extended the said due date to 31 July 2020.

Thus, Income Tax returns (belated and revised returns for the FY 2018-19 (AY 2019-20) can now be filed upto 31 July 2020. ■

*Courtesy: RSM Astute Group (www.astuteconsulting.com)
Kindly email your queries to emails@astuteconsulting.com*

Dr. Suresh Surana is a practicing Chartered Accountant and specialises in International Taxation and Corporate Advisory services to multinational corporations besides Indian corporate houses.

He can be contacted on:
taxqueries@astuteconsulting.com