



GOVERNMENT INITIATIVES TO COMBAT CORONAVIRUS

DIRECT TAX

BACKGROUND

In view of the increasing difficulties faced by the corporate world on account of virtual shut-down of activities due to outbreak of Covid-19; Finance Minister Nirmala Sitharaman has announced various measures with the intention to giving relief and relaxations in respect of statutory and procedural compliances.

This bulletin covers the steps taken by the Government in relation to the Income-tax Act, 1961 (the "Act").

March 24th, 2020
Mumbai

KEY HIGHLIGHTS

Extension of due date in respect of the following compliance and regulatory matters from 31st March, 2020 to 30th June, 2020

- ◆ Filing of Belated Return of Income / Revised Return of Income for the Assessment Year 2019-20.
- ◆ Linking of PAN with Aadhar.
- ◆ For making investment in tax saving instruments and for availing roll over benefit of capital gains.
- ◆ Filing of appeal at all levels of appellate forums.
- ◆ Filing of declaration in the forms prescribed under Dispute Resolution Scheme "Vivad Se Vishwas" without attracting additional charge of 10 percent.
- ◆ For issuance of notice, intimation, notification, approval order, sanction order, reports and any other documents prescribed.

Reduced Rate of Interest on delayed payment of taxes

Interest on delayed payments of the following, made between 20th March 2020 and 30th June 2020, shall be reduced to 9 percent per annum (i.e. 0.75% per month) instead of existing rate of 12/18 percent per annum (i.e 1/1.5 % per month):

- ◆ Advance Tax
- ◆ Self-assessment Tax
- ◆ Tax on regular assessment
- ◆ Tax deduction at Source and Tax collection at Source
- ◆ Equalization levy
- ◆ Securities Transaction Tax and Commodities Transaction Tax

No late fee/penalty shall be charged for delay relating to this period.

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