

ॐ सह नावतु ।  
सह नौ भुनक्तु ।  
सह वीर्यं करवावहै ।  
तेजस्वि नावधीतमस्तु मा विद्विषावहै ।  
ॐ शान्तिः शान्तिः शान्तिः ॥

Om, May God Protect us Both (the Teacher and the Student),  
May God Nourish us Both,  
May we Work Together with Energy and Vigour,  
May our Study be Enlightening and not give rise to Hostility,  
Om, Peace, Peace, Peace.

**MAKING  
MARCH  
MEANINGFUL**

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# “नीम हकीम खतरे जान”

## Common understanding of common assessee

- There is no tax on agricultural income..
- There is no tax on transfer of agricultural land..
- The income of charitable and religious trust is fully exempt.
- There is no capital gain if we purchase any property against the sale of any property.
- Income tax arises only after sale, No tax on purchase
- There is no tax on maturity of LIC policies.
- HUF can also get deduction u/s 80C by investing like individual, NSC, Tax saving FDRs, Mutual funds/UTI, Tuition fees, housing loan principle etc.

# “खाया पिया कुछ नहीं, गिलास तोडा बरह आना”

- Loans and advances given to specified person U/s 2 (22)(e) to the extent of accumulated profit....Holding shares not less than 10%....and concerns in which specified person having substantial interest...TDS-Assessee in default..
- Transfer of unlisted shares by one person to another..... Sales consideration shall not be less than FMV as per Rule 11U & Rule 11 UA  
..Audited balance sheet on the date of transfer...  
Tax effect of section 50CA and Section 56 (2)(x)  
(point no. 28 of form no. 3CD)

# “खाया पिया कुछ नहीं, गिलास तोडा बारह आना”

- Issue of shares by Existing Private limited company, shall not be more than the fair market value.... effect of section 56(2)(viib)..... Two option...FMV on valuation date or valuation from merchant banker..(point no. 29 of form no. 3CD).
- Transfer of immovable property should not be at less than stamp duty value....effect of section 50C and 43CA to seller... (point no. 17 of form no. 3CD)
- Purchase of immovable property shall not be less than stamp duty value.... effect of section 56 (2) (x) on purchaser...( Point no. 29 of form no. 3CD)



# नजरे हटी , दुर्घटना घटी

- **Applicability of section 194Q(1-7-2021) or Section 206C(1H)(01-10-2020)..... effect of purchase Return/Sales Return ..... not applicable , if TDS/TCS is required to be deducted under any other section.**
- **Compliance of Section 43B of the Act.... specifically , conversion of interest into term loan..... share of employee's contribution of PF/ESIC etc b y employer.**
- **Compliance of Section 40 (A)(3) and 40 A(3A) of the Act, payments should not exceed Rs 10,000 per day to a single person on a single day....Trader of agriculture commodity shall not make payment exceeding 2,00,000 to Kisaan....269ST....**
- **Receipt of loan or any other specified amount exceeding Rs 20,000 or its repayment thereof..... effect of section 269SS and 269T.**

# नजरे हटी , दुर्घटना घटी

- Compliance of Section 40 (a)(i) and 40 (a)(ia) of the Act,.... disallowability of full/30% of expenses due to non deduction/non payment of TDS amount within due date of filing of ITR...Salary payment to NRI within 7 days of month only...
- Receipt of amount exceeding Rs 2,00,000 against one sale/receipt/event..... effect of section 269ST. Take due care in reporting in SFT also u/s 285BA
- Distribution of capital assets/stock in trade in case of dissolution/Reconstitution of partnership firm ...Compliance of Section 9B of the Act

# “स्वागत नहीं करोंगे हमारा”



- Taxability of VDA (Virtual Digital Asset) U/s 115BBH(1-4-2023 ) and its TDS compliance U/s 194S(01-07-2022)
- Taxability U/s 115BBI (Maximum Marginal Rate)
- provisions of Charitable Trust and institutions covered U/s 10 (23C)
  - Application of Expenses on payment basis only
  - Extraordinary power to PCIT for cancellation of registration.
  - Specified violation (other objects, business , not genuine or compliance of any other law)
  - Transactions with prohibited persons U/s 13



# “ स्वागत नहीं करोंगे हमारा ”

- **Section 37, offence prohibited by law also includes:-**
  - **To provide any perquisites, benefits during the course of business and profession and such acceptance by such person is prohibited by rules/regulations governing such person.(Point No. 21a of Form No. 3CD.)**
  - **Amount paid for compounding of offence under any law.**
  - **TDS on benefits/Perquisites ..Section 194R..(1-7-2022)...TDS@10% on amount exceeding 20,000...**
- **Section 56 (2)(x), Any sum received for Covid treatment by any person from any person or by any employee from his employer.**
- **Filing of update return U/s 139(8A).(1-4-2022)**

# एक अकेला थक जायेंगा, मिलकर हाथ बढ़ाना

## (SALARIED INDIVIDUAL AND BUSINESS PERSON FILING ITR U/S 44AD

- **Decide which assessee is covered under which clause of audit (already 9 options are there).**
- **If Turnover exceeds Rs 1 Crores / 50 lacs in case of business and professionals during the preceding previous year then compliance of TAN and tax deduction.**
- **If property purchased exceeding Rs 50 lacs during the previous year, then compliance of section 194-IA & special care for TDS on stamp duty value or sale consideration whichever is higher and all amenities included in sales consideration @ 1%.**

# एक अकेला थक जायेंगा, मिलकर हाथ बढ़ाना

## (SALARIED INDIVIDUAL AND BUSINESS PERSON FILING ITR U/S 44AD

- Rent exceeding Rs 50,000 p.m. is paid by individual/HUF then Compliance of Section 194-IB , TDS to be deducted @ 5% in the last month of the previous year or completion of tenancy whichever is earlier.....TDS amount shall not exceed the amount of rent related to last month .
- Payment by Individual/HUF not covered in audit for payments covered u/s 194C/194H and 194J amount exceeds Rs 50 lacs then as per section 194M Tds Rate is 5%

# ज़रा सी सावधानी, ऑडिट पीरियड में आसानी

- Taking decision for new scheme of taxation in company and individual/HUF assessee and filing relevant form before due date of ITR.
- Timely filing of Form 9A/Form 10 in case of Charitable trust to avoid withdrawal of exemption U/s 11.
- Compile and Reconcile the transactions incurred in share trading/future/options etc.

## ज़रा सी सावधानी, ऑडिट पीरियड में आसानी

- Reconciliation of 26AS/AIS of complicated ITRs to the extent possible.
- Reconciliation of sales/purchases etc with monthly GST returns to the extent possible.
- Reconcile monthly stock statement submitted to bank with books of accounts.
- Compile and reconcile monthly stock statement in cases where quantitative details are not maintained to check any deficiency in stock if any.



## ज़रा सी सावधानी, ऑडिट पीरियड में आसानी

- **Compile and reconcile the balances of major creditors and debtors.**
- **Check TDS/TCS returns of all quarters....Application for lower deduction of TDS.. specifically filing of declarations of transporter ....& filing of 15G/15H.**

# PREVENTION IS BETTER THAN CURE

- After 31-03-2023 withdrawal of exemption U/s 10(10D). Please don't try to educate the client about this provision.
- Proposed amendment in section 43B shall be explained to clients and accountants for effective compliance.
- Charitiy begins at home:
  - Check whether all the parties who have paid you Professional fees have properly deducted TDS U/s 194J.
  - Prepare our Udyam Adhaar.

# FAILURE TO FURNISH PAN & FILE ITR

## [Section 206AA, 206AB, 206CC, 206CCA]

Section	206 AA/ w.e.f 01.04.2017 206CC	206 AB / w.e.f 01.07.2021 206 CCA
Failure	Non Furnishing of PAN by Deductee / Collectee	Specified persons being Non filing ITR
Higher Rate of TDS	<ul style="list-style-type: none"><li>• Rate Specified in the Act, or</li><li>• Rate in force (as per Finance Act) ,or</li><li>• 20 %</li></ul>	<ul style="list-style-type: none"><li>• twice the rate specified in relevant Section , or</li><li>• twice the rate or rates in force ,or</li><li>• 5 %</li></ul>
Higher Rate of TCS	<ul style="list-style-type: none"><li>• twice the rate specified or</li><li>• 5 % whichever is higher</li></ul>	<ul style="list-style-type: none"><li>• twice the rate specified or</li><li>• 5 % whichever is higher</li></ul>
Special Provision	<b>W.e.f 01.04.2020:</b> Rate of tax shall be deducted @ 5% instead of 20% ; if any Deductee for whom TDS u/s 194-O or <b>w.e.f 01.07.2021.</b> 194 Q is applicable and has failed to furnish PAN.	<b>Sec 206 AB</b> will not apply for TDS u/s 192, 192A , 194B, 194BB , 194 LBC, 194 N <b>w.e.f. 01.04.2022 194-IA, 194-IB, 194 M</b> on any sum or income or amount paid , or payable or credited to a specified person .

Note :- **Specified persons** means a person **w.e.f 01.04.2022** who has not furnished ROI for AY relevant to PY immediately preceding FY in which tax is required to be deducted.

THANK YOU  
AND  
BE COOL,  
MAKE MARCH  
MEANINGFUL