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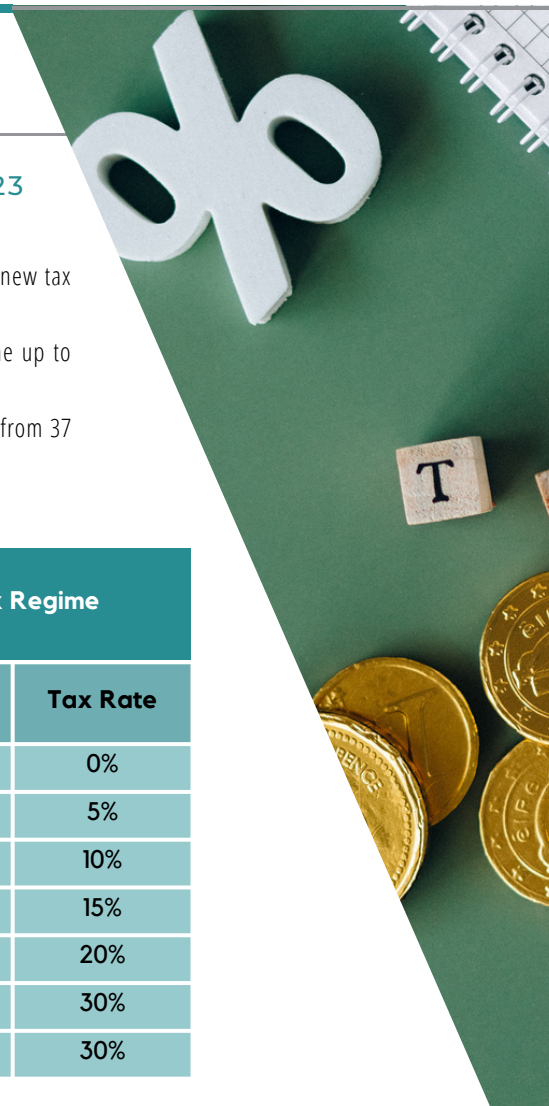
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Some Important Income Tax Changes effective from 1.4.23

1. New Income Tax Regime will be the default tax regime if taxpayer fails to opt for either old or new tax regime
2. Tax rebate limit enhanced under New tax regime i.e. A resident individual with taxable income up to Rs.7 lakhs will receive a tax rebate of Rs. 25,000 or the applicable tax (whichever is lower).
3. For Individuals whose taxable income exceeds Rs.5 crores, the applicable surcharge is reduced from 37 per cent to 25 per cent under the new tax regime.
4. Changes in income tax slab

Comparison of Tax Slab Under Old Tax Regime and Under New Tax Regime

Old Tax Slab	Old Tax Rate	Tax slabs from AY 2024-25 (FY 2023-24)	Tax Rate
Up to ₹ 2,50,000	0%	Up to ₹300,000	0%
₹ 2,50,001 to ₹ 500,000	5%	₹ 300,001 to ₹ 600,000	5%
₹ 5,00,001 to ₹ 7,50,000	10%	₹ 600,001 to ₹ 900,000	10%
₹ 7,50,001 to ₹ 10,00,000	15%	₹ 900,001 to ₹ 12,00,000	15%
₹ 10,00,001 to ₹ 12,50,000	20%	₹ 1200,001 to ₹ 1500,000	20%
₹ 12,50,001 to ₹ 15,00,000	25%	Above ₹ 15,00,000	30%
Above ₹ 15,00,000	30%	Above ₹ 15,00,000	30%





5. TDS of 10 per cent will be deducted from all payments of interest including listed debentures.

6. Gains from investments in Debt Mutual Funds will be taxed as short term capital gain at investor's slab rates i.e. No indexation benefit will be available for gains from debt mutual funds (with only around 35% equity exposure) and they will be taxed at the investor's applicable slab rates.

7. Gains from Market Linked Debentures (MLD) will be short term capital gains and taxable at applicable slab rates.

8. Proceeds from life insurance premium over the annual premium of Rs.5 lakh would be taxable (except for ULIP – Unit Linked Insurance Plan)

9. Maximum deposit limit for senior citizen saving scheme will increase to Rs.30 lakhs from Rs.15 lakhs

10. Physical gold converted to EGR (Electronic Gold Receipt) and vice-versa – will not attract capital gains tax

Mandatory Electronic Filing of Form 10F by Non-resident taxpayers without PAN Extended till 30.9.23



Form 10F is filed by Non Resident Indians (NRIs) who don't have Permanent Account Number (PAN) and want to avoid TDS on payments accrued or received in India or claim benefits of any tax treaty. Form 10F pertains to Information to be provided under section 90(5) or section 90A(5) of the Income-tax Act, 1961

Through Notification No. 03/2022 dated 16.7.22, the Directorate of Income Tax (Systems) New Delhi had given one-time relief to NRIs by allowing them to file Form 10F manually till 31.3.23. Those NRI taxpayers who were not having PAN and not required to have PAN as per relevant provisions of the Income-tax Act, 1961 read with Income-tax Rules, 1962, were exempted from mandatory electronic filing of Form 10F till 31st March 2023.

Now through Notification dated 28.3.23 the above mentioned partial relaxation to NRIs has been further extended till 30th September 2023.

New Goods and Services Tax Appellate Tribunal (GSTAT) to be set up

Appeals against the orders in first appeals issued by the Appellate Authorities under the Central and State GST Acts lie before the GST Appellate Tribunal. The Finance Bill 2023 which was passed by Lok Sabha on 24th March 2023 in Parliament makes relevant amendments in the CGST Act and thus shall constitute the GST Appellate Tribunal (GSTAT) and Benches thereof. There would be a Principal Bench in New Delhi, consisting of the President, a Judicial Member, a Technical Member (Centre) and a Technical Member (State). The State Benches will consist of two Judicial Members, a Technical Member (Centre) and a Technical Member (State).

Period of GST Return under Best Judgement Assessment

Return Form GSTR 3B (Self-declared summary GST return) or Form GSTR 10 (Final Return filed by a taxable person who opts for surrender/cancellation of GST registration) where the proper officer has assessed tax liability on best judgment assessment basis can now be furnished in 60 days instead of 30 days. Where the registered person fails to furnish a valid return within 60 days of the service of the assessment order, he may furnish the same within a further period of 60 days on payment of an additional late fee of INR 100/- for each day of delay beyond 60 days of the service of the assessment order. Liability to pay interest and late fee will ensue.



Mandatory HUID Requirement for Gold Jewellery with effect from 1.4.23

From 1st April 2023, only gold jewellery which carries a 6-digit Hallmark Unique Identification (HUID) number will be permitted to be sold in India. HUID is a 6-digit alphanumeric ID embossed on each item of jewellery and will be unique for every piece of jewellery.

Through this HUID number the purchaser can check the purity and value of the piece of jewellery. The HUID number also helps in tracking the authenticity of the item of jewellery and prevents sale and purchase of counterfeit jewellery.

Charges on UPI transactions from 1.4.23

UPI transactions above Rs.2000 made via PPIs such as wallets, credit cards will have an interchange fee of 1.1% on merchant transactions. No charges will be levied for the bank account to bank account-based UPI payments i.e. normal UPI payments.

The National Payments Corporation of India (NPCI) clarified on 29th March, 2023 that the most preferred method of UPI transactions is linking the Bank account in any UPI enabled app for making payments which contributes over 99.9% of total UPI transactions, thus, these Bank account-to-account transactions continue to remain free for Customers and Merchants.



NEW FOREIGN TRADE POLICY 2023

The New Foreign Trade Policy (FTP) 2023 presented by the Ministry of Commerce and Industry on 31st March 2023 has the vision to take India's goods and services exports to \$2 trillion by 2030. Contrary to the prevailing tradition of a five-year Foreign Trade Policy, the FTP 2023 adopted a 'long-term' focus which will be updated as and when necessary. The Policy will come into effect on 1.4.23.

Few highlights of the Policy:

- Introduction of one-time Amnesty Scheme for exporters to address default on Export Obligations.
- Recognition of Exporters through 'Status-holder scheme' whereby Exporter firms recognized with 'status' based on export performance will now be partners in capacity-building initiatives on a best-endeavor basis.
- Faridabad, Moradabad, Mirzapur and Varanasi designated as Towns of Export Excellence (TEE) in addition to the already existing 39 TEEs. TEEs get certain benefits and priority access.
- The consignment wise cap on E-Commerce exports through courier has been raised from ₹5Lakh to ₹10 Lakh in the FTP 2023.
- Further rationalization of the EPCG Scheme, which allows import of capital goods at zero Customs duty for export production.
- Battery Electric Vehicles (BEV) of all types added to Green Technology products and will now be eligible for reduced Export Obligation requirement under EPCG Scheme
- Facilitation provisions added under Advance Authorization Scheme
- Introduction of provisions for merchanting trade.



Interest Rates for Small Savings Scheme for First Quarter of FY 2023-24

The Government revises interest rates for various small savings schemes on a quarterly basis. The rates for the April-June 2023 quarter which were revised on 31st March 2023 by the Ministry of Finance are as follows:

Instrument	Rate of Interest from 1.4.23 to 30.6.23
Savings Deposit	4%
1 year time deposit	6.8%
2 year time deposit	6.9%
3 year time deposit	7%
5 year time deposit	7.5%
5 year recurring deposit	6.2%
Senior Citizen Savings Scheme	8.2%
Monthly Income Account Scheme	7.4%
National Savings Certificate	7.7%
Public Provident Fund Scheme	7.1%
Kisan Vikas Patra	7.5% (will mature in 115 months)
Sukanya Samriddhi Account Scheme	8%

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