

**Revised
Comprehensive Update
on
Taxation and Other Laws
(Relaxation of Certain Provisions) Ordinance, 2020**

1. Government of India, Ministry of Home Affairs, *vide* its order No. 40-3/2020/-DM-I(A) dated **24.3.2020** r.w. order No. 1-29/2020/PP (Pt. II) dated **24.3.2020** issued by the National Disaster Management Authority (NDMA) under Disaster Management Act, 2005 pronounced countrywide lockdown in the wake of worldwide **Noval Covid-19 outbreak for 21 days** starting from 25.3.2020 along with detailed guidelines of the even date. This order was followed by addendums dated 25.3.2020, 27.3.2020 and 29.3.2020.
2. Consequently, the Hon'ble Union Finance Minister and Corporate Affairs Minister, Government of India Smt. Nirmala Sitharaman announced several **relief measures relating to Statutory and Regulatory compliance matters** across Sectors on **24.3.2020**. The preamble of the announcement is as follows:

“The Union Finance & Corporate Affairs Minister Smt. Niramla Sitharaman today announced several important relief measures taken by the Government of India in view of COVID-19 outbreak, especially on statutory and regulatory compliance matters related to several sectors. While addressing the press conference through videoconferencing here today, Smt. Sitharaman announced much-needed relief measures in areas of Income Tax, GST, Customs & Central Excise, Corporate Affairs, Insolvency & Bankruptcy Code (IBC) Fisheries, Banking Sector and Commerce.”

3. **Immediately after** the above announcement a **Press Note** was released, which *inter alia* provided that necessary legal circulars and legislative amendments for giving effect to the aforesaid relief shall be issued in due course. In relation to GST it *inter alia* further provided that necessary legal circulars and legislative amendments to give effect to the aforesaid GST relief shall follow with the approval of GST Council. In relation to Company matters it *inter alia* further provide that detailed notifications/circulars in this regard shall be issued by the Ministry of Corporate Affairs separately.
4. In relation to **company / LLP matters** the Ministry of Corporate Affairs, Government of India has already issued a General Circular No. 11/2020 dated 24.3.2020 providing following relief in accordance with the Press Note:

“In order to support and enable Companies and Limited Liability Partnerships (LLPs) in India to focus on taking necessary measures to address the COVID-19 threat, including the economic disruptions caused by it, the following measures have been implemented by the Ministry of Corporate Affairs **to reduce their compliance burden and other risks:** -

- I. No additional fees shall be charged for late filing during a moratorium period from 1st April to 30th September 2020, in respect of any document, return, statement etc., required to be filed in the MCA-21 Registry, irrespective of its due date, which will not only reduce the compliance burden, including financial burden of companies/ LLPs at large, but also enable long-standing non compliant companies/ LLPs to make a 'fresh start'. ***The Circulars specifying detailed requirements in this regard are being issued separately.***
- II. The mandatory requirement of holding meetings of the Board of the companies within the intervals provided in section 173 of the Companies Act, 2013 (CA- 13) (120 days) stands extended by a period of 60 days till next two quarters *i.e.*, till 30th September. Accordingly, as a ***one-time relaxation the gap between two consecutive meetings of the Board may extend to 180 days till the next two quarters***, instead of 120 days as required in the CA-13.
- III. The Companies (Auditor's Report) Order, 2020 ***shall be made applicable from the financial year 2020-2021*** instead of being applicable from the financial year 2019-2020 notified earlier. This will significantly ease the burden on companies & their auditors for the financial year 2019-20. ***A separate notification has been issued for this purpose.***
- IV. As per Para VII (1) of Schedule IV to the CA-13, independent Directors (IDs) are required to hold at least one meeting without the attendance of Non-independent directors and members of management. For the financial year 2019-20, if the IDs of a company have not been able to hold such a meeting, the same shall not be viewed as a violation. ***The IDs, however, may share their views amongst themselves through telephone or e-mail or any other mode of communication, if they deem it to be necessary.***
- V. Requirement under section 73(2)(c) of CA-13 to create the deposit repayment reserve of 20% of deposits maturing during the financial year 2020-21 before 30th April 2020 shall be allowed to be complied with till ***30th June 2020.***
- VI. Requirement under rule 18 of the Companies (Share Capital & Debentures) Rules, 2014 to invest or deposit at least 15% of amount of debentures maturing in specified methods of investments or deposits before 30th April 2020, may be complied with till ***30th June 2020.***
- VII. Newly incorporated companies are required to file a declaration for Commencement of Business within '180 days of incorporation under section 10A of the CA-13. An ***additional period of 180 more days is allowed*** for this compliance.
- VIII. Non-compliance of minimum residency in India for a period of at least 182 days by at least one director of every company, under Section 149 of the CA-13.”

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5. For matters other than company / LLP matters the Ministry of Law and Justice, Government of India, has released an Ordinance promulgated by the Hon'ble President of India on 31.3.2020 to provide relaxation in the provisions of certain Acts and for matters connected therewith or incidental thereto.
6. The Ordinance is as follows:

MINISTRY OF LAW AND JUSTICE
(Legislative Department)
New Delhi, the 31st March, 2020

THE TAXATION AND OTHER LAWS
(RELAXATION OF CERTAIN PROVISIONS) ORDINANCE, 2020
No. 2 of 2020

Promulgated by the President in the Seventy-first Year of the Republic of India.

An Ordinance to provide relaxation in the provisions of certain Acts and for matters connected therewith or incidental thereto.

WHEREAS, in view of the spread of pandemic COVID-19 across many countries of the world including India, causing immense loss to the lives of people, it has become imperative to relax certain provisions, including extension of time limit, in the taxation and other laws;

AND WHEREAS, Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance: –

CHAPTER I
PRELIMINARY

Short title and commencement.

1. (1) This Ordinance may be called the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020.

(2) Save as otherwise provided, it shall come into force at once.

Definitions.

2. (1) In this Ordinance, unless the context otherwise requires, -

(a) “**specified Act**” means-

- (i) the Wealth-tax Act, 1957;
- (ii) the Income-tax Act, 1961;
- (iii) the Prohibition of Benami Property Transactions Act, 1988;
- (iv) Chapter VII of the Finance (No. 2) Act, 2004;
- (v) Chapter VII of the Finance Act, 2013;
- (vi) the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015;
- (vii) Chapter VIII of the Finance Act, 2016; or
- (viii) the Direct Tax Vivad *se* Vishwas Act, 2020;

(b) “**notification**” means the notification published in the Official Gazette.

(2) The words and expressions used herein **and** not defined, **but** defined in the **specified Act**, the **Central Excise Act, 1944**, the **Customs Act, 1962**, the **Customs Tariff Act, 1975** **or** the **Finance Act, 1994**, as the case may be, shall have the meaning respectively assigned to them in **that** Act.

CHAPTER II RELAXATION OF CERTAIN PROVISIONS OF SPECIFIED ACT

Relaxation of certain provisions of specified Act.

3. (1) Where, **anytime limit** has been **specified in, or prescribed or notified under**, the specified Act which falls during the period **from** the **20th day of March, 2020 to** the **29th day of June, 2020** **or** such other date after the 29th day of June, 2020 as the Central Government may, **by notification, specify** in this behalf, for the **completion or compliance** of **such action** “**as**” -

- (a) **completion** of any proceeding **or** passing of any order **or** issuance of any notice, intimation, notification, sanction **or** approval **or** **such** other **action**, by whatever name called, by **any** authority, commission **or** tribunal, by whatever name called, under the provisions of the specified Act; **or**

- (b) filing of any appeal, reply **or** application **or** furnishing of any report, document, return, statement **or** such other record, by whatever name called, under the provisions of the specified Act; **or**
- (c) in case where the specified Act is the **Income-tax Act, 1961**,-
- (i) making of investment, deposit, payment, acquisition, purchase, construction **or** such other action, by whatever name called, for the purposes of claiming any deduction, exemption **or** allowance under the provisions contained in-
- (I) sections 54 to 54GB **or** under any provisions of Chapter VI-A under the heading “B.—Deductions in respect of certain payments” thereof; **or**
- (II) such other provisions of that Act, subject to fulfilment of such conditions, as the Central Government may, by **notification**, specify; **or**
- (ii) beginning of manufacture **or** production of articles **or** things **or** providing any services referred to in section 10AA of that Act, in a case where the letter of approval, required to be issued in accordance with the provisions of the Special . Economic Zones Act, 2005, has been issued on or before the 31st day of March, 2020,

and where completion **or** compliance of such action has **not** been made within such time, then, the time limit for completion **or** compliance of such action, notwithstanding anything contained in the specified Act, stand extended to the **30th day of June, 2020**, **or** such other date after the 30th day of June, 2020, as the Central Government may, by **notification**, specify in this behalf:

Provided that the Central Government may specify different dates for completion **or** compliance of different actions.

Provided further that such action shall **not** include payment of any amount as is referred to in sub-section (2).

(2) Where **any** due date has been specified in, **or** prescribed **or** notified under, the specified Act for payment of any amount towards tax **or** levy, by whatever name called, which falls during the period **from** the **20th day of March, 2020** **to** the **29th day of June, 2020** **or** such other date after the 29th day of June, 2020 as the Central Government may, **by notification**, specify in this behalf, **and** such amount has **not** been paid within such date, but has been paid

on or before the 30th day of June, 2020, **or** such other date after the 30th day of June, 2020 as the Central Government may, **by notification, specify** in this behalf, then, notwithstanding anything contained in the specified Act,-

- (a) the rate of interest payable, if any, in respect of such amount **for the period of delay** shall **not** exceed three-fourth per cent. for every month **or** part thereof;
- (b) **no** penalty shall be levied **and no** prosecution shall be sanctioned in respect of such amount for **the period of delay**.

Explanation. – For the purposes of this sub-section, “**the period of delay**” means the period between the due date **and** the date on which the amount has been paid.

CHAPTER III AMENDMENT TO THE INCOME-TAX ACT, 1961

Amendment of sections 10 and 80G of Act 43 of 1961.

4. In the Income-tax Act, 1961, with effect from the **1st day of April, 2020**,-

- (i) in **section 10, in clause (23C)**, in **sub-clause (i)**, after the word “Fund”, the words and brackets “*or the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)*” shall **be inserted**;
- (ii) in **section 80G**, in **sub-section (2)**, in **clause (a)**, in **sub-clause (iiia)**, after the word “Fund”, the words and brackets “*or the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)*” shall be **inserted**.

CHAPTER IV AMENDMENTS TO THE DIRECT TAX VIVAD SE VISHWAS ACT

Amendment of section 3 of Act 3 of 2020.

5. In **section 3** of the Direct Tax Vivad Se Vishwas Act, 2020, -

- (a) in **third column**, in the **heading**, for the figures, letters and words “31st day of March, 2020”, the figures, letters and words “**30th day of June, 2020**” shall be **substituted**;
- (b) in **fourth column**, in the **heading**, for the figures, letters and words “1st day of April, 2020”, the figures, letters and words “**1st day of July, 2020**” shall be **substituted**.

CHAPTER V
RELAXATION OF TIME LIMIT UNDER CERTAIN INDIRECT TAX LAWS

Relaxation of time limit under Central Excise Act, 1944, Customs Act, 1962, Customs Tariff Act, 1975 and Finance Act, 1994.

6. Notwithstanding anything contained in the Central Excise Act, 1944, the Customs Act, 1962 (except sections 30, 30A, 41, 41A, 46 and 47), the Customs Tariff Act, 1975 or Chapter V of the Finance Act, 1994, as it stood prior to its omission vide section 173 of the Central Goods and Service Tax Act, 2017 with effect from the 1st day of July, 2017, the **time limit specified** in, **or prescribed or notified** under, the said **Acts** which falls during the period **from the 20th day of March, 2020 to the 29th day of June, 2020 or** such other date after the 29th day of June, 2020 as the Central Government may, **by notification, specify,** for the **completion or compliance** of **such action** **“as”** -

- (a) **completion** of any proceeding **or** issuance of any order, notice, intimation, notification **or** sanction **or** approval, by whatever name called, by any authority, commission, tribunal, by whatever name called; **or**
- (b) **filing** of any appeal, reply **or** application **or** furnishing of any report, document, return **or** statement, by whatever name called,

shall, notwithstanding that **completion or compliance** of **such action** has **not** been made within such time, **stand extended** to the **30th day of June, 2020 or** such other date after the 30th day of June, 2020 as the Central Government may, by **notification, specify** in this behalf:

Provided that the Central Government may **specify** different dates for **completion or compliance** of different **actions** under clause (a) **or** clause (b).

CHAPTER VI
AMENDMENT TO THE FINANCE ACT (NO. 2), 2019

Amendment of section 127 of Act 23 of 2019.

7. In section 127 of the Finance Act (No.2), 2019, –

- (i) in **sub-section (1)**, **for** the words “*within a period of sixty days from the date of receipt of the said declaration*”, the words, figures and letters “*on or before the 31st day of May, 2020*” shall be **substituted**;
- (ii) in **sub-section (2)**, **for** the words “*within thirty days of the date of receipt of the declaration*”, the words, figures and letters “*on or before the 1st day of May, 2020*” shall be **substituted**;
- (iii) in **sub-section (4)**, **for** the words “*within a period of sixty days from the date of receipt of the declaration*”, the words, figures and letters “*on or before the 31st day of May, 2020*” shall be **substituted**;

- (iv) in **sub-section (5)**, **for** the words “*within a period of thirty days from the date of issue of such statement*”, the words, figures and letters “*on or before the 30th day of June, 2020*” shall be **substituted**.

CHAPTER VII AMENDMENT TO THE CENTRAL GOODS AND SERVICES TAX ACT, 2017

Insertion of new section 168A in Act 12 of 2017.

8. After section 168 of the Central Goods and Services Tax Act, 2017, the following section shall be inserted, namely:-

Power of Government to extend time limit in special circumstances

168A. (1) Notwithstanding anything contained in this Act, the **Government** *may*, on the recommendations of the Council, **by notification**, extend the time limit *specified* in, **or** *prescribed* **or** *notified* under, this Act in respect of *actions* which cannot be *completed* **or** *complied* with due to *force majeure*.

(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date **not** earlier than the date of commencement of **this Act**.

Explanation.— For the purposes of this section, the expression “*force majeure*” means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature **or** otherwise affecting the implementation of any of the provisions of **this Act**.’ .

RAM NATH KOVIND,
President.

DR. G NARAYANA RAJU,
Secretary to the Govt. of India.
(Release ID: 1609734)

Analysis of the Ordinance

7. The **preamble** of the Ordinance provides that since the Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action in view of the spread of pandemic COVID-19 across many countries of the world including India causing immense loss to the lives of people, therefore, it has become imperative to relax certain provisions, including extension of time limit, in the taxation and other laws. Hence an Ordinance to provide relaxation in the provisions of certain Acts and for matters connected therewith or incidental thereto is being promulgated in exercise of the powers conferred by clause **(1) of article 123** of the Constitution, the President is pleased to promulgate the following Ordinance.

Need to promulgate Ordinance

8. **Section 298(1) of the Income Tax Act, 1961** empowers the Central Government to issue ***special or general order*** for removing any difficulty arising in giving effect to the provisions of this Act.
9. However, **Section 298(3) of the Income Tax Act, 1961** empowers the Central Government to issue ***special or general order*** for removing any difficulty arising in giving effect to the provisions of this Act, as amended by the Direct Tax Laws (Amendment) Act, 1987.
{Limitation 3 years from 1.4.1988 – expired}
10. **Section 172 of the Central Goods and Services Act, 2017** contain similar, according to which empowers the Central Government to issue *on the recommendations of the Council* ***special or general order*** for removing any difficulty arising in giving effect to the provisions of this Act.
{Limitation 3 years – expiring in 30.6.2020}
11. Section 11 of the Direct Tax *Vivad se Vishwas* Act, 2020 empowers the Central Government to issue **order** for removing any difficulty arising in giving effect to the provisions of this Act.
{Limitation 2 years - unexpired}
12. **Section 70 of the Prohibition of Benami Property Transactions Act, 1988** empowers the Central Government to issue **order** for removing any difficulty arising in giving effect to the provisions of this Act.
{Limitation 2 years - expired}
13. **Section 86 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015** empowers the Central Government to issue **order** for removing any difficulty arising in giving effect to the provisions of this Act.
{Limitation 2 years - expired}
14. The “**specific Act**” comprise, besides above Acts, following Finance Acts:
 - (i) Chapter VII of the Finance (No. 2) Act, 2004 {STT}
 - (ii) Chapter VII of the Finance Act, 2013 (CTT)
 - (iii) Chapter VIII of the Finance Act, 2016 (Equalisation Levy)which does not provide any provision for removal of difficulty, similar to the above five Acts.
15. Besides above, the Government had to amend Section 10 and 80G of the Income Tax Act, 1961 and to insert Section 168A in CGST Act, 2017.
16. All this could be done by promulgation of Ordinance, hence the Ordinance of 2020.

17. Thus, the Ordinance has been issued under **Article 123(1)** of the Constitution of India, which is in its Chapter III under the heading Legislative Powers of the President. It reads as follows:

*“CHAPTER III
LEGISLATIVE POWERS OF THE PRESIDENT.*

123 . Power of President to promulgate Ordinances during recess of Parliament.—

*(1) If **at any time**, except when both Houses of Parliament are in session, the President is satisfied that circumstances exist which render it necessary for him to take immediate action, he may promulgate such Ordinances as the circumstances appear to him to require.*

*(2) An Ordinance promulgated under this article shall have the same force and effect as an Act of Parliament, **but** every such Ordinance—*

*(a) shall be laid before both Houses of Parliament **and** shall cease to operate at the expiration of **six weeks from the reassembly of Parliament**, **or**, if before the expiration of that period resolutions disapproving it are passed by both Houses, upon the passing of the second of those resolutions; **and***

(b) may be withdrawn at any time by the President.

Explanation.— Where the Houses of Parliament are summoned to reassemble on different dates, the period of six weeks shall be reckoned from the later of those dates for the purposes of this clause.

(3) If and so far as an Ordinance under this article makes any provision which Parliament would not under this Constitution be competent to enact, it shall be void.

(4) {inserted by the Constitution (Thirty-eighth Amendment) Act, 1975, s. 2 (with retrospective effect) and omitted by the Constitution (Forty-fourth Amendment) Act, 1978, s. 16 (w.e.f. 20-6-1979)}.”

18. **Section 1(2)** of the Ordinance provides that save as otherwise provided, it shall come into force **at once**. It means that if **no** date of enforcement is provided in respect of any provision of the Ordinance, all the provisions shall come into force **at once**. The Ordinance was promulgated on Tuesday, the 31st day of March, 2020; therefore, the same shall come into force from **31.3.2020**.
19. The Ordinance in all has **eight (8) sections and** it provides **two (2) definitions**.

20. The arrangement of sections is as follows:

Table of arrangement of clauses

Section	Subject
1	Short title and commencement
2	Definitions
3	Relaxation of certain provisions of Specified Act
4	Amendment of Section 10 and Section 80G of the Income Tax Act, 1961.
5	Amendment of Section 3 of the Direct Tax <i>Vivad se Vishwas</i> Act, 2020
6	Relaxation of time limit under Central Excise Act, 1944, Customs Act, 1962, Customs Tariff Act, 1962 and Finance Act, 1994
7	Amendment of Section 127 of the Finance (No. 2) Act, 2019
8	Insertion of new section 168A in the Central Goods and Services Act, 2017 – Power of Government to extend time in special circumstances

21. The Ordinance provides following definitions:

Section	Definition
2(1)(a)	specified Act
	(i) the Wealth Tax Act, 1957
	(ii) the Income Tax Act, 1961

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	(iii)	The Prohibition of <i>Benami</i> Property Transactions Act, 1988
	(iv)	Chapter VII of the Finance (No. 2) Act, 2004 { <i>Security Transaction Tax</i> }
	(v)	Chapter VII of the Finance Act, 2013 { <i>Commodities Transaction Tax</i> }
	(vi)	the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015
	(vii)	Chapter VIII of the Finance Act, 2016 { <i>Equalisation Levy</i> }
	(viii)	the Direct Tax <i>Vivad se Vishwas</i> Act, 2020
2(1)(b)	notification	
2(2)	<p>The words and expressions used herein and not defined, but defined in the</p> <ul style="list-style-type: none"> • the specified Act, • the Central Excise Act, 1944 • the Customs Act, 1962 • the Customs Tariff Act, 1975 • the Finance Act, 1994 as the case may be, shall have the meaning respectively assigned to them in that Act 	

22. Chapter wise and section wise analysis is as follows. The analysis is based on my personal experience and personal understanding of law, being a practicing Chartered Accountant since 1980. The views are being shared with the fellow professionals and the stakeholders in common and academic interest to provide clarity as much as possible. The view being expressed shall be finally concluded by the relevant Government notifications, circulars, advisories and clarifications. It is, therefore advised to please keep an eye on the same from time to time. Any person holding different view is free to further update this update.

Chapter II
Relaxation of certain provisions of specified Act

23. **Chapter II** of the Ordinance provides relaxations of **certain** provisions of **specified Act**.
24. It needs to be very carefully noted that the Ordinance **does not** provide relaxation **or** relief generally; it **only** provides relaxation of **certain** provisions.
25. Further, it provides **such** relaxation **or** relief **only** in relation to certain provisions of the **specified Act**, which is defined in section 2(1)(a) of the Ordinance.
26. As per section 2(1)(a) "**specified Act**" means the following Acts:
 - (i) the Wealth-tax Act, 1957;
 - (ii) the Income-tax Act, 1961;
 - (iii) the Prohibition of *Benami* Property Transactions Act, 1988;
 - (iv) Chapter VII of the Finance (No. 2) Act, 2004;
{*Security Transaction Tax*}
 - (v) Chapter VII of the Finance Act, 2013;
{*Commodity Transaction Tax*}
 - (vi) the Black Money (Undisclosed Foreign Income and Assets) and imposition of Tax Act, 2015;
 - (vii) Chapter VIII of the Finance Act, 2016;
{*Commodity Transaction Tax*} or
 - (viii) the Direct Tax *Vivad se Vishwas* Act, 2020;
27. Therefore, one must understand the provisions in respect of which the relaxations have been provided.

Section 3 : Relaxation of certain provisions of Specified Act

28. **Section 3(1)** provides as follows -

- Where,
- **any**
- **time limit**
- has been **specified in, or**
- **prescribed** under **or**
- **notified** under
- the **specified Act**
- which falls during the period
- **from** the **20th day of March, 2020** **to** the **29th day of June, 2020** **or**
- such other date after the 29th day of June, 2020
- as the Central Government may,
- **by notification,**
- **specify** in this behalf,
- **for**
- the **completion** **or**
- **compliance**
- **of**
- **such** **action**
- **“as”**

29. From the above dissection of the long lines of section 3(1), following points emerge:

- (i) relaxation is in respect of **any time limit**, *i.e.* the limitations;
- (ii) relaxation is in respect of **any** time limit;

Please note:

- (a) the word **any** is used before and with the expression **time limit**;
 - (b) word **any** relates to the **time limit**;
 - (c) it means wherever **any time** is **specified** in **or prescribed** under the specified Act.
- (iii) relaxation is in respect of any time limit **specified in** the specified Act;
{*Specified in means provided in the specified Act itself*}

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- (iv) relaxation is in respect of any time limit **prescribed under** the specified Act; *{prescribed under means prescribed under any rule made under the specified Act}*
- (v) relaxation is in respect of any time limit **notified under** the specified Act; *{notified under means notified under any notification issued under the specified Act}*
- (vi) such time limit falls during the period **from 20.3.2020 to 29.6.2020**;
- (vii) such time limit may be **extended** by the Central Government by **notification**; *{as per section 2(1)(b) of the Ordinance notification means the notification published in the Official Gazette}*
- (viii) the extension of time limit is for the **completion** of **such action** “as”
- (ix) the extension of time limit is for the **compliance** of **such action** “as”

Query No. 1

Now a question arises; in item No. (viii) and (ix) above, word **action** is used, what is that **action**?

Answer:

- (a) the word **action** is used before and with the word **completion**;
- (b) the word **action** is used also before and with the word **compliance**;
- (c) therefore, **completion** is the **action** of the **Government authorities**;
- (d) therefore, **compliance** is the **action** of the assessee / filer / furnisher / appellant / applicant / litigant *etc.*

Query No. 2

Now another question arises; in item No. (viii) and (ix) above, word **such** is used, which is **such** action?

- (a) It means **completion** for which the relaxation is granted.
- (b) It means **compliance** for which the relaxation is granted.

Answer:

- (a) The answer lies in clause (a), (b) and (c) of section 3(1) of the Ordinance.

Completion

{Section 3(1)(a)}

30. **Completion** refers to the **action** of the **Government authorities** under the provisions of the specified Act **relating to** –
- (i) completion of any **proceeding or**
 - (ii) passing of any **order or**
 - (iii) issuance of any **notice,**
 - (iv) issuance of any **intimation,**
 - (v) issuance of any **notification,**
 - (vi) issuance of any **sanction or**
 - (vi) issuance of any **approval or**
 - (vi) **such other action**, by whatever name called,
31. The Government authorities may be -
- (i) by any **authority,**
 - (ii) by any **commission or**
 - (iii) by any **tribunal,** by whatever name called,
32. Use of expression **“such other action”** invokes the doctrine **“*Ejusdem generis*”**, which means that when a **general word** {**“action”** in the present Ordinance} **follows a list of specific words** in a statute, the meaning of the **general word** is to be limited to the same class or category of words as those that are specifically listed. This rule seeks to identify what each specific word in the statutory listing has in common with all other specific words in the list in order to define a category that **limits the scope of potential application of the more general word or phrase** used by the same statute.
33. It means that the **action “completion”** would relate to **such other action** under the specific Act, by whatever name called, which is of the same class or category as proceedings, order, notice, intimation, notification, sanction and approval.

Compliance

{Section 3(1)(b)}

34. **Compliance** refers to is the **action** of the assessee / files / furnisher / appellant / applicant / litigant *etc.* under the provisions of the specified Act **relating to** –
- (i) filing of any **appeal,**
 - (ii) filing of any **reply or**
 - (iii) filing of any **application or**
 - (iv) furnishing of any **report,**

- (v) furnishing of any **document**,
 - (vi) furnishing of any **return**,
 - (vii) furnishing of any **statement or**
 - (viii) furnishing of **such other record**, by whatever name called.
35. Use of expression “**such other record**” also invokes the doctrine “*Ejusdem generis*”, which means that when a **general word** {“**record**” in the present Ordinance} **follows a list of specific words** in a statute, the meaning of the **general word** is to be limited to the same class or category of words as those that are specifically listed. This rule seeks to identify what each specific word in the statutory listing has in common with all other specific words in the list in order to define a category that **limits the scope of potential application of the more general word or phrase** used by the same statute.
36. It means that the **action “compliance”** would relate to **such other record** under the specific Act, by whatever name called, which is of the same class or category as appeal, reply, application, report, document, return and statement.
37. It may be noted that in the pronouncements made by the Hon’ble Union Minister of Finance and Company Affairs on 24.3.2020 and accordingly a Press Note was released, giving assurances for extension in respect of the following:
- (i) issue of **notice**,
 - (ii) issue of **intimation**,
 - (iii) issue of **notification**,
 - (iv) issue of **approval order**,
 - (v) issue of **sanction order**,
 - (vi) filing of **appeal**,
 - (vii) furnishing of **return**,
 - (viii) furnishing of **statements**,
 - (ix) furnishing of **applications**,
 - (x) furnishing of **reports**,
 - (xi) furnishing of **any other documents**,
 - (xii) **completion of proceedings** by the authority,
 - (xiii) **any compliance by the taxpayer**,
38. However, in the codified law “**any compliance by the taxpayer**” has been **omitted**.

In case where the specified Act is the Income Tax Act, 1961

{Section 3(1)(c)}

Section 3(1)(c)(i)(I)

39. In respect of the Income Tax Act, 1961, following specific relaxation have been made, besides the relaxations made under the definition of specific Act under **clause (a) and (b) of section 3(1)** of the Ordinance making:

- (i) investment,
- (ii) deposit,
- (iii) payment,
- (iv) acquisition,
- (v) purchase,
- (vi) construction **or**
- (vii) **such other action**, by whatever name called,

for the purposes of claiming any **deduction**, **exemption** **or** **allowance** under the provisions contained in-

- (i) sections 54 to 54GB thereof **or**
- (ii) under any provisions of Chapter VI-A under the heading “B.—Deductions in respect of certain **payments**” **or**

40. The relaxation under **clause (c) of section 3(1)** of the Ordinance has been made specifically for –

- (i) making investment, deposit, payment, acquisition, purchase, construction, or **such other action** for the purpose of claiming any deduction, exemption **or** allowance under following sections:
 - (a) Section 54 investment towards purchase or construction of residential house for claiming exemption of long term capital gain arising from transfer of long term residential house.
 - (b) Section 54B investment towards purchase of agricultural land for claiming exemption of arising from transfer of agricultural land.

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- (c) Section 54D investment towards purchase or construction of industrial undertaking for claiming exemption of capital gain arising from acquisition of capital asset being land or building **or** any right in land or building forming part of an industrial undertaking.
- (d) Section 54E Capital gain on transfer of capital assets not to be charged if transferred before 1.4.1992.
- (e) Section 54EB Capital gain on transfer of long term capital asset not to be charged if transferred before 1.4.2000.
- (f) Section 54EC investment in bonds for claiming exemption of long term capital gain arising from transfer of long term capital asset, being land, or building or both.
- (g) Section 54ED Capital gain on transfer of certain listed securities or units, not to be charged if transferred before 1.4.2006.
- (h) Section 54EE Capital gain not to be charged on investment in units issued before 1.4.2019 of a notified fund.
- (i) Section 54F investment towards purchase or construction of residential house for claiming exemption of long term capital gain arising from transfer of any long term capital asset other than residential house.
- (j) Section 54G Exemption of capital gains on transfer of assets in cases of shifting of industrial undertaking from urban areas
- (k) Section 54GA Exemption of capital gains on transfer of assets in cases of shifting of industrial undertaking from urban area to any Special Economic Zone.
- (l) Section 54GB Capital gain on transfer of residential property not to be charged in certain cases.

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(ii) making payment or such other action for the purpose of claiming any deduction, exemption or allowance under following sections of Chapter VIA under the heading B – Deductions in respect of certain **payments**:

- | | | |
|-----|---------------|---|
| (a) | Section 80C | Deduction in respect of life insurance premia, deferred annuity, contribution to provident fund, subscription to certain equity shares or debentures etc. |
| (b) | Section 80CCA | Deduction in respect of deposits under National Savings Scheme or payment to a deferred annuity plan |
| (c) | Section 80CCB | Deduction in respect of investment made under Equity Linked Savings Scheme |
| (d) | Section 80CCC | Deduction in respect of contribution to certain pension funds |
| (e) | Section 80CCD | Deduction in respect of contribution to pension scheme of Central Government |
| (f) | Section 80CCE | Limit on deduction under sections 80C, 80CCC and 80CCD |
| (g) | Section 80CCF | Deduction in respect of subscription to long term infrastructure bond |
| (h) | Section 80CCG | Deduction in respect of investment made under an equity savings scheme |
| (i) | Section 80D | Deduction in respect of health insurance premia (including payment for preventive health check up) |
| (j) | Section 80DD | Deduction in respect of maintenance including medical treatment of a dependent who is a person with disability |
| (k) | Section 80DDB | Deduction in respect of medical treatment etc. |
| (l) | Section 80E | Deduction in respect of interest on loan taken for higher education |
| (m) | Section 80EE | Deduction in respect of interest on loan taken for residential house property
<i>{Institutional loan sanctioned between 1.4.2016 to 31.3.2017}</i> |

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(n)	Section 80EEA	Deduction in respect of interest on loan taken for certain house property {w.e.f 1.4.2020 – AY 2020-21}
(o)	Section 80EEB	Deduction in respect of purchase of electric vehicle {w.e.f 1.4.2020 – AY 2020-21}
(p)	Section 80G	Deduction in respect of donations to certain funds, charitable institutions, etc.
(q)	Section 80GG	Deductions in respect of rents paid
(r)	Section 80GGA	Deduction in respect of certain donations for scientific research or rural development
(s)	Section 80GGB	Deduction in respect of contributions given by companies to political parties
(t)	Section 80GGC	Deduction in respect of contributions given by any person to political parties

41. Use of expression “**such other action**” again invokes the doctrine “*Ejusdem generis*”, which means that when a **general word** {“*action*” in the present Ordinance} follows a **list of specific words** in a statute, the meaning of the **general word** is to be limited to the same class or category of words as those that are specifically listed. This rule seeks to identify what each specific word in the statutory listing has in common with all other specific words in the list in order to define a category that **limits the scope of potential application of the more general word or phrase** used by the same statute.
42. It means that the **actions investment, deposit, payment, acquisition, purchase and construction** would relate to **such other actions** under the specific Act, by whatever name called, which are of the same class or category as appeal, reply, application, report, document, return and statement.

Power to extend to such other provision of that Act
{Section 3(1)(c)(i)(II)}

43. Under sub-clause (i)(II) of clause (c) of section 3(1) of the Ordinance, the Central Government has been empowered to **extend the time limit up to 30.6.2020** in respect of “**such other provisions of that Act (Income Tax Act, 1961)**” subject to fulfilment of such conditions as may be specified by notification, where such **time limit**, which has been **specified in, or prescribed or notified under**, the Income Tax Act, 1961 falls during the period **from the 20th day of March, 2020 to the 29th day of June, 2020 or** such other date after the **29th day of June, 2020** as the Central Government may,

by notification, specify in this behalf, for the completion or compliance of such action, and where completion or compliance of such action has **not** been made within such time, then, the time limit for completion or compliance of such action, notwithstanding anything contained in the Income Tax Act, 1961 Act, stand extended to the **30th day of June, 2020**, or such other date after the 30th day of June, 2020, as the Central Government may, by **notification**, specify in this behalf:

44. **Section 3(1)(c)(i)(I)** provides relaxation from section 54 to 54GB and Chapter VI-A “heading B” only.
45. However, **section 3(1)(c)(i)(II)** empowers the Central Government to include by way of notification, –
 - **such**
 - other
 - provisions
 - of
 - **that**
 - Act.
46. In this provision word **“such”** is used instead of word **“any”**, which refers to
 - **such action** for the purpose of claiming any **deduction**,
 - **such action** for the purpose of claiming any **exemption**,
 - **such action** for the purpose of claiming any **allowance**.
47. It means that the Central Government does not have power to extend this relaxation in respect of any provision of the Income Tax Act, 1961, but only to such provisions which relates to deduction, exemption or allowance and for claiming the same any time line is specified in or prescribed or notified under the Income Tax Act, 1961.

Section 10AA : Special provision in respect of newly established units in special economic zone.

Section 3(1)(c)(ii)

48. Under the Income Tax Act, 1961, the relaxation has also been made for the purpose of **section 10AA**, as follows:-

“**beginning of** manufacture or production of articles or things or providing any services referred to in **section 10AA** of that Act, in a case where the letter of approval, required to be issued in accordance with the provisions of the **Special . Economic Zones Act, 2005**, has been issued on or before the 31st day of March, 2020,”

Relaxation by way of extension up to 30.6.2020

49. The long line after clause (a), (b) & (c) of section 3(1) provides that “**and** where completion or compliance of such action has **not** been made within such time, then, the time limit for completion or compliance of such action, notwithstanding anything contained in the specified Act, stand extended to the **30th day of June, 2020**, **or** such other date after the 30th day of June, 2020, as the Central Government may, by **notification**, specify in this behalf:

Provided that the Central Government may specify different dates for completion or compliance of different actions.

Provided further that such action shall **not** include payment of any amount as is referred to in sub-section (2)”.

50. It means that if the action or actions specified in clause (a), (b) & (c) of section 3(1) *{as detailed in para 19 to 35 above}* could not be made within the time limits provided in the specific Act for such actions, then such actions which falls during the period **from the 20th day of March, 2020 to the 29th day of June, 2020** stand extended to the **30th day of June, 2020**.

Relaxation by way of extension beyond 30.6.2020

51. Further, the Central Government has been empowered to extend the date of 30th June, 2020 by way of a notification. In such case the relaxation shall stand extended accordingly.

Power to specify different dates for different actions

52. Further, the Central Government has been empowered to specify different dates for completion or compliance of different actions.

Relaxation by way of extension up to 30.6.2020 is not applicable to payments mentioned in section 3(2) of the Ordinance

53. The second proviso to section 3(1) provides that such action shall **not** include payment of any amount as is referred to in sub-section (2).
54. **Section 3(2)** provides that where any due date has been specified in, **or** prescribed **or** notified under, the specified Act **for payment** of **any** amount towards tax or levy, by whatever name called, which falls during the period **from the 20th day of March, 2020 to the 29th day of June, 2020** **or** such other date after the **29th day of June, 2020** as the Central Government may, **by notification**, specify in this behalf, **and** such amount has **not** been paid within such date, **but** has been paid on **or** before the 30th day of June, 2020, **or** such other date after the **30th day of June, 2020** as the

Central Government may, **by notification, specify** in this behalf, then, notwithstanding anything contained in the specified Act,-

- (a) the rate of interest payable, if any, in respect of such amount **for the period of delay** shall **not** exceed three-fourth per cent. for every month **or** part thereof;
- (b) **no penalty** shall be levied **and no prosecution** shall be sanctioned in respect of **such** amount for **the period of delay**.

Explanation. – For the purposes of this sub-section, “**the period of delay**” means the period between the due date **and** the date on which the amount has been paid.

- 55. The Ordinance **does not extend** any due date for **payment** of any amount towards **tax or levy** which falls during the period **from 20.3.2020 to 29.6.2020**.
- 56. However, it provides that if such payment is made on **or** before **30.6.2020**, the amount so paid shall be appropriated towards the action for which it is paid **and** if any **interest** is liable to be paid for the delay in such payment, if any, the **rate of such interest shall not exceed 0.75%** for every **month or part of the month** for the period of delay.
- 57. It also provides that **if** the Central Government **extends** by way of notification the **period** of 20.3.2020 to 29.6.2020, **then** the reduced rate of interest shall apply to any **such** payment made **for** such **extended period**.
- 58. It also provides that **if** the Central Government **extends** by way of notification the **last date** of payment after 30.6.2020, **then** the reduced rate of interest shall apply to any **such** payment made **for** by such **extended date**.
- 59. It also provides that because of delay in payment of any such tax or levy, -
 - (i) **no penalty** shall be levied in respect of such amount of interest {relating to the period **from 20.3.2020 to 29.6.2020 or the extended period**} for the period of delay {relating to the period **from the due date to the date of payment or the extended date of payment**};
 - (ii) **no prosecution** shall be sanctioned in respect of such amount of interest {relating to the period **from 20.3.2020 to 29.6.2020 or the extended period**} for the period of delay {relating to the period **from the due date to the date of payment or the extended date of payment**};
- 60. Explanation to section 3(2) provides following explanation which clarify the expression “the period of delay”:

Explanation. – For the purposes of this sub-section, “**the period of delay**” means the period between the due date **and** the date on which the amount has been paid.”

Aadhaar - PAN linking date to be extended from 31st March, 2020 to 30th June, 2020.

Comments

61. Though the point No. 2 of the Press Note dated 24.3.2020 dealt with extension of date of Aadhaar PAN linking from 31.3.2020 to 30.6.2020, yet the Ordinance is apparently silent about the same.
62. However, the extension of Aadhaar Pan linking is covered by the following expression used in section 3(1)(b) of the Ordinance:
- “Where, any time limit has been specified in, **or** prescribed **or** notified under, the specified Act which falls during the period from the 20th day of March, 2020 to the 29th day of June, 2020 or such other date after the 29th day of June, 2020 as the Central Government may, by notification, specify in this behalf, for the completion or compliance of such action **“as”** -
- (b) **filing** of any appeal, reply **or** application **or** furnishing of any report, document, return, statement **or** **such** other **record**, by whatever name called, under the provisions of the specified Act;”
63. **Section 139AA(2)** of the Income Tax Act, 1961 reads as follows:
- “(2) Every person who has been allotted permanent account number as on the 1st day of July, 2017, **and** who is **eligible** to obtain Aadhaar number, **shall** **intimate** his Aadhaar number to such authority in such form and manner as may be **prescribed**, on or before a date to be **notified** by the Central Government in the Official Gazette:
- Provided** that in case of failure to intimate the Aadhaar number, the permanent account number allotted to the person shall be **made** **inoperative** after the date so **notified** in such manner as may be **prescribed**.”
64. CBDT has made **Rule 114AAA** on 13.2.2020 vide Notification No. 11/2020 dated 13.2.2020, vide with the date for Aadhaar PAN linking was prescribed and notified as **31.3.2020**. As per Sub-Rule 4, necessary details for the linking is required to be furnished as may be specified by the Principle Director General of Income Tax (Systems).
65. Therefore, the online furnishing of details for Aadhaar PAN linking shall be covered by the expression **“such other record”** under the maxis of *ejustem generies*, and since the last date 31.3.2020 was prescribed in Rule 114AAA notified vide notification No. 11/2020 dated 13.2.220, therefore, the same will be covered by the provisions of section 3(1)(b) of the Ordinance, and since 31.3.2020 would fall in the timeline of 20.3.2020 to 31.3.2020, the last date of Aadhaar PAN linking u/s 139AA stands extended to 30.6.2020.

Section 4 : Amendment of Section 10 and Section 80G of the Income Tax Act, 1961.

66. **Chapter III** of the Ordinance has amended following sections of the Income Tax Act, 1961 *w.e.f 31.3.2020*:
- (i) Section 10(23C)(i)
 - (ii) Section 80G(2)(a)(iiiia)
67. Section 4(1)(i) of the Ordinance inserts “*or the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)*” after the word “Fund”.
68. The amended **section 10(23C)(i)** now reads as follows:
- “any income received by any person on behalf of (i) the prime Minister’s National Relief Fund or *the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)*”
69. Section 4(1)(ii) of the Ordinance inserts “*or the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)*” after the word “Fund”.
70. The amended **section 80G(2)(a)(iiiia)** now reads as follows:
- “ the prime Minister’s National Relief Fund or *the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)*”
71. Therefore, any donation on **or** after 31st March, 2020 to the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND) will be eligible for 100 % deduction.

Section 5 : Amendment of Section 3 of the Vivad se Vishwas Act, 2020

72. **Chapter IV** of the Ordinance has amended section 3 of the Direct Tax *Vivad se Vishwas Act, 2020*. There is no other amendment in this Act.
73. In **section 3** of the Direct Tax Vivad Se Vishwas Act, 2020, in **third column**, in the **heading, for** the figures, letters and words “**31st day of March, 2020**”, the figures, letters and words “**30th day of June, 2020**” has been **substituted**;

74. In Section 3 in of the Direct Tax Vivad Se Vishwas Act, 2020, in **fourth column**, in the **heading**, **for** the figures, letters and words “**1st day of April, 2020**”, the figures, letters and words “**1st day of July, 2020**” has been **substituted**.

75. The effect of the above substitutions shall be as follows:

Table headings before amendment

Sl. No.	Nature of tax arrear	Amount payable under this Act on or before the 31 st day of March, 2020	Amount payable under this Act on or after the 1 st day of April, 2020 but on or before the last date
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Table headings after amendment

Sl. No.	Nature of tax arrear	Amount payable under this Act on or before the 30 th day of June, 2020	Amount payable under this Act on or after the 1 st day of July, 2020 but on or before the last date
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76. Section 3 of the Direct Tax Vivad se Vishaws Act, 2020 {hereinafter referred to as the DTVsV Act} provides as follows and the impact of the above amendment would be as follows:

Section 3 before amendment

*Subject to the provisions of this Act, where a declarant files under the provisions of this Act **on or before the last date**, a **declaration** to the designated authority in accordance with the provisions of section 4 in respect of tax arrear, then, notwithstanding anything contained in the Income-tax Act or any other law for the time being in force, the **amount payable** by the declarant under this Act shall be as under, namely:”*

- (i) *The amount of disputed tax only - if it is **payable on or** before 31.3.2020*
- (ii) *Disputed tax with 10% thereof - if it is **payable on or** after 1.4.2020, but on or before the last date*
- (iii) *The amount of disputed interest only - if it is **payable on or** before 31.3.2020*
- (iv) *Disputed interest with 10% thereof - if it is **payable on or** after 1.4.2020, but on or before the last date*

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- (v) *The amount of disputed penalty only* - if it is **payable on or before 31.3.2020**
- (vi) *Disputed penalty with 10% thereof* - if it is **payable on or after 1.4.2020, but on or before the last date**
- (vii) *The amount of disputed fee only* - if it is **payable on or before 31.3.2020**
- (viii) *Disputed fee with 10% thereof* - if it is **payable on or after 1.4.2020, but on or before the last date**
- (ix) *In search & seizure cases 125% of disputed tax* - if it is **payable on or before 31.3.2020**
- (x) *In search & seizure cases 135% of disputed tax* - if it is **payable on or after 1.4.2020, but on or before the last date**
77. As per above provisions, when the declarant files a declaration u/s 3, he **makes himself liable to pay** under this Act the **amount payable** as per the declaration, subject to determination of the same **and** issue of Certificate by the Designated Authority u/s 5 of the Act.
78. Therefore, if the **declaration is filed on or before 31.3.2020**, the declarant makes himself **liable to pay the amount** as per the declaration subject to determination of the same **and** issue of Certificate by the Designated Authority u/s 5 of the Act, **which shall be as per clause (i), (iii), (v), (vii) & (ix) of the above table**
79. However, if the **declaration is filed on or after 1.4.2020**, the declarant makes himself **liable to pay the amount** as per the declaration subject to determination of the **same** and issue of Certificate by the Designated Authority u/s 5 of the Act, **which shall be as per clause (ii), (vi), (vii) & (x) of the above table**
80. Now, the Ordinance has **substituted** the dates **31.3.2020 by 30.6.2020 and 1.4.2020 by 1.7.2020**. Therefore, after amendment, *w.e.f* 31.3.2020, the table in Section 3 would read as follows:

Table of section 3 before amendment

- (i) *The amount of disputed tax only* - if it is **payable on or before 30.6.2020**
- (ii) *Disputed tax with 10% thereof* - if it is **payable on or after 1.7.2020, but on or before the last date**
- (iii) *The amount of disputed interest only* - if it is **payable on or before 30.6.2020**

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- (iv) *Disputed interest with 10% thereof* - if it is **payable on or after 1.7.2020, but on or before the last date**
- (v) *The amount of disputed penalty only* - if it is **payable on or before 30.6.2020**
- (vi) *Disputed penalty with 10% thereof* - if it is **payable on or after 1.7.2020, but on or before the last date**
- (vii) *The amount of disputed fee only* - if it is **payable on or before 30.6.2020**
- (viii) *Disputed fee with 10% thereof* - if it is **payable on or after 1.7.2020, but on or before the last date**
- (ix) *In search & seizure cases 125% of disputed tax* - if it is **payable on or before 30.6.2020**
- (x) *In search & seizure cases 135% of disputed tax* - if it is **payable on or after 1.7.2020, but on or before the last date**

81. The other provisions of the DTVsV Act, 2020, in short, provides as follows:

- (i) Payment u/s 5(2) of the said Act is allowed to be made within 15 days of receipt of Certificate issued u/s 5(1) of the said Act by the designated authority; **and**
- (ii) The Certificate u/s 5(1) of the said Act is required to be issued by the designated authority within 15 days from the date of receipt of the declaration.

82. The other provisions of the DTVsV Act, 2020, in short, provides as follows:

- (i) The additional amount of 10% is to be paid up to the last date, which is not mentioned in section 2(l) of the said Act and which is to be separately notified by the Central Government.
- (ii) Therefore, after the amendment the declaration u/s 3 can be filed up to 30.6.2020 and the declarant will get 30 days time (15 days + 15 days) from the date of filing the declaration for making payment without 10% additional amount.
- (iii) Now, the last date will fall after 30.6.2020, which will be separately notified by the Central Government.

Section 6 : Relaxation of time limit under Central Excise Act, 1944, Customs Act, 1962, Customs Tariff Act, 1962 and Finance Act, 1994

83. **Chapter V** of the Ordinance seeks to relax time limit under following indirect taxes:
- (i) Central Excise Act, 1944;
 - (ii) Customs Act, 1962;
{except sections 30, 30A, 41, 41A, 46 and 47}
 - (iii) Customs Tariff Act, 1962;
 - (iv) Finance Act, 1994
{Chapter V- Service Tax, as it stood prior to its omission vide section 173 of the Central Goods and Service Tax Act, 2017 with effect from the 1st day of July,2017}
84. As per **section 6** of the Ordinance the **time limit specified** in, **or prescribed or notified** under, the said **Acts** which falls during the period **from** the **20th day of March, 2020 to the 29th day of June, 2020** or such other date after the 29th day of June, 2020 as the Central Government may, **by notification, specify**, for the **completion or compliance** of **such action** **“as”** -
- (a) **completion** of any proceeding **or** issuance of any order, notice, intimation, notification **or** sanction **or** approval, by whatever name called, by any authority, commission, tribunal, by whatever name called; **or**
 - (b) **filing** of any appeal, reply **or** application **or** furnishing of any report, document, return **or** statement, by whatever name called,
- shall**, notwithstanding that **completion or compliance** of **such action** has **not** been made within such time, **stand extended** to the **30th day of June, 2020** or such other date after the 30th day of June, 2020 as the Central Government may, by **notification, specify** in this behalf:
- Provided that the Central Government may **specify** different dates for **completion or compliance** of different **actions** under clause (a) **or** clause (b).
85. These relaxations are on the same line as of specified Act mentioned in section 3 of the Ordinance.

Section 7 : Amendment of Section 127 of the Finance (No. 2) Act, 2019

86. **Section 7** in **Chapter VI** of the Ordinance amends section 127 of the Finance (No. 2) Act, 2019 *w.e.f. 31.3.2020*.
87. Section 127 of the Finance (No. 2) Act, 2019 is under Chapter V providing Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019.
88. The following amendments have been made in section 127:
- (i) in **sub-section (1)**, **for the words** “*within a period of sixty days from the date of receipt of the said declaration*”, **the words, figures and letters** “on or before the 31st day of May, 2020” shall be **substituted**;
 - (ii) in **sub-section (2)**, **for the words** “*within thirty days of the date of receipt of the declaration*”, **the words, figures and letters** “on or before the 1st day of May, 2020” shall be **substituted**;
 - (iii) in **sub-section (4)**, **for the words** “*within a period of sixty days from the date of receipt of the declaration*”, **the words, figures and letters** “on or before the 31st day of May, 2020” shall be **substituted**;
 - (iv) in **sub-section (5)** **for the words** “*within a period of thirty days from the date of issue of such statement*” **the words, figures and letters** “on or before the 30th day of June, 2020” shall be **substituted**.
89. After the amendment Section 127 of the Finance (No. 2) Act, 2017 reads as follows:
- “127. (1)** Where the amount estimated to be payable by the declarant, as estimated by the designated committee, ***equals*** the amount declared by the declarant, then, the designated committee **shall issue** in electronic form, a ***statement***, indicating the **amount payable** by the declarant, **“on or before the 31st day of May, 2020”**.
- (2) Where the amount estimated to be payable by the declarant, as estimated by the designated committee, ***exceeds*** the amount declared by the declarant, then, the designated committee **shall issue** in electronic form, an ***estimate*** of the **amount payable** by the declarant **“on or before the 1st day of May, 2020”**.
- (3) After the issue of the estimate under sub-section (2), the designated committee shall give an opportunity of being heard to the declarant, if he so desires, before issuing the statement indicating the amount payable by the declarant:

Provided that on sufficient cause being shown by the declarant, only one adjournment may be granted by the designated committee.

(4) After hearing the declarant, a statement in electronic form indicating the **amount payable** by the declarant, shall be issued **“on or before the 31st day of May, 2020”**.

(5) The declarant shall pay electronically through internet banking, the **amount payable** as indicated in the statement issued by the designated committee, **“on or before the 30th day of June, 2020”**.

(6) Where the declarant has filed an appeal or reference or a reply to the show cause notice against any order or notice giving rise to the tax dues, before the appellate forum, other than the Supreme Court or the High Court, then, notwithstanding anything contained in any other provisions of any law for the time being in force, such appeal or reference or reply shall be deemed to have been withdrawn.”

(7) Where the declarant has filed a writ petition or appeal or reference before any High Court or the Supreme Court against any order in respect of the tax dues, the declarant shall file an application before such High Court or the Supreme Court for withdrawing such writ petition, appeal or reference and after withdrawal of such writ petition, appeal or reference with the leave of the Court, he shall furnish proof of such withdrawal to the designated committee, in such manner as may be prescribed, along with the proof of payment referred to in sub-section (5).

(8) On payment of the amount indicated in the statement of the designated committee and production of proof of withdrawal of appeal, wherever applicable, the designated committee shall issue a discharge certificate in electronic form, within thirty days of the said payment and production of proof.

90. After the amendment following are the extended time lines of the said Scheme:

(i) Section 127(1) - Issue of statement by the designated committee indicating the amount payable by the declarant:

“on or before the 31st day of May, 2020”

(ii) Section 127(2) - Issue of estimate by the designated committee of the amount payable by the declarant:

“on or before the 1st day of May, 2020”

(iii) Section 127(4) - After hearing the declarant, issue of statement by the designated committee indicating the amount payable by the declarant:

“on or before the 31st day of May, 2020”

(iv) Section 127((5) – Payment by the declarant the amount payable as indicated in the statement issued by the designated committee:

“on or before the 30th day of June, 2020”

Section 8 : Insertion of new section 168A in the Central Goods and Services Act, 2017

91. **Section 8** in **Chapter VII** of the Ordinance has inserted section 168A in the Central Goods and Services Act, 2017 {hereinafter referred to as the CGST Act} *w.e.f. 31.3.2020*.

92. The new section 168A reads as follows:

“Power of Government to extend time limit in special circumstances

168A. (1) Notwithstanding anything contained in this Act, the Government **may**, on the recommendations of the Council, **by notification**, extend the time limit **specified** in, **or prescribed or notified** under, this Act in respect of **actions** which cannot be **completed or complied** with due to **force majeure**.

(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date **not** earlier than the date of commencement of **this Act**.

Explanation.— For the purposes of this section, the expression **“force majeure”** means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature **or** otherwise affecting the implementation of any of the provisions of **this Act**.”

93. This is an enabling provision, which has delegated certain powers to the **Government**.

94. As per **section 2(53)** of the CGST Act **“Government”** means the Central Government;

95. Accordingly, the Central Government may, on the recommendations of the Council, by notification, extend the time line –

- (i) specified **in** the CGST Act; **or**
- (ii) prescribed **under** the CGST Act; **or**
- (iii) notified **under** the CGST Act

96. The Central Government shall use power of extension in respect of actions which cannot be –

- (i) completed **or**
- (ii) complied with

97. However, the reason for such non completion **or** non compliance must be “*force majeure*”
98. The *Explanation* to section 168A refines the expression *force majeure*, for the purpose of section 168A as follows:

“force majeure means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature or otherwise affecting the implementation of any of the provisions of this Act.”

Government’s further actions

99. To clarify various relaxations the Ministry of Finance has released a Press Release dated 31.3.2020, as follows:

Press Information Bureau

Government of India

Ministry of Finance

Finance Ministry issues Press Release on

Taxation and other Laws (Relaxation of Certain Provisions) Ordinance, 2020

31-March-2020 22:04 IST

In order to give effect to the announcements made by the Union Finance Minister *vide* Press Release dated 24.03.2020, regarding several relief measures relating to statutory and regulatory compliance matters across sectors in view of COVID-19 outbreak, the Government has brought in an Ordinance on 31.03.2020 which provides for extension of various time limits under the Taxation and Benami Acts. It also provides for extension of time limits contained in the Rules or Notification which are prescribed / issued under these Acts.

It may be noted that the outbreak of Novel Corona Virus (COVID-19) across many countries of the world has caused immense loss to the lives of people, and accordingly, it has been termed as pandemic by the World Health Organisation and various Governments including Government of India. Social distancing has been unequivocally accepted to be the best way to contain its spread, leading to announcement of complete lockdown in the country. Keeping in view the challenges faced by taxpayers in meeting the compliance requirements under such conditions, the Union Finance Minister had announced several relief measures relating to statutory and regulatory compliance matters across sectors in view of COVID-19 outbreak on 24.03.2020 *vide* a press release.

Some of the important features and time limits which get extended by this Ordinance are as under:-

Direct Taxes & Benami:

- (i) Extension of last date of filing of **original** as well as **revised** income-tax returns for the financial year 2018-19 (**assessment year 2019-20**) to **30th June, 2020**.
- (ii) Extension of Aadhaar-PAN linking date to **30th June, 2020**.
- (iii) The date for making various investment / payment for claiming deduction under Chapter-VIA-B of Income Tax Act, 1961 which includes Section 80C (LIC, PPF, NSC etc.), 80D (Mediclaim), 80G (Donations), etc. has been extended to **30th June, 2020**. Hence the investment / payment can be made up to **30th June, 2020** for claiming the deduction under these sections for **financial year 2019-20** relevant for **assessment year 2020-21**.
- (iv) The date for making investment / construction / purchase for claiming roll over benefit / deduction in respect of capital gains under sections 54 to 54GB of the Income Tax Act, 1961 has also been extended to **30th June, 2020**. Therefore, the investment / construction / purchase made up to **30th June, 2020** shall be eligible for claiming deduction from capital gains arising during financial year 2019-20 relevant for assessment era 2020-21.
- (v) The date for commencement of operation for the SEZ units for claiming deduction under deduction 10AA of the IT Act has also extended to 30.06.2020 for the units which received necessary approval by 31.03.2020. vi. The date for passing of order or issuance of notice by the authorities under various direct taxes & Benami Law has also been extended to 30.06.2020.
- (vii) It has provided that reduced rate of interest of 9% shall be charged for non-payment of Income-tax (e.g. advance tax, TDS, TCS) Equalization Levy, Securities Transaction Tax (STT), Commodities Transaction Tax (CTT) which are **due for payment from 20.03.2020 to 29.06.2020** if they are paid by **30.06.2020**. Further, no penalty/ prosecution shall be initiated for these non-payments.
- (viii) Under *Vivad se Vishwas* Scheme, the date has also been extended up to **30.06.2020**. Hence, **declaration and payment** under the Scheme **can** be made up to **30.06.2020** without additional payment.

Indirect Taxes:

- (i) Last date of furnishing of the Central Excise returns due in March, April and May 2020 has been extended to **30th June, 2020**.
- (ii) Wherever the last date for filing of appeal, refund applications etc., under the Central Excise Act, 1944 and rules made thereunder is from **20th March 2020 to 29th June 2020**, the same has been extended to **30th June, 2020**.

- (iii) Wherever the last date for filing of appeal, refund applications etc., under the Customs Act, 1962 and rules made thereunder is from **20th March 2020 to 29th June 2020**, the same has been extended to **30th June, 2020**.
- (iv) Wherever the last date for filing of appeal etc., relating to Service Tax is from **20th March 2020 to 29th June 2020**, the same has been extended to **30th June, 2020**.
- (v) The date for making payment to avail of the benefit under Sabka Vishwas Legal Dispute Resolution Scheme 2019 has been extended to **30th June, 2020** thus giving more time to taxpayers to get their disputes resolved.
- (vi) In addition to the extension of time limits under the Taxation and Benami Acts as above, an enabling section has got inserted in the CGST Act, 2017 empowering the Government to extend due dates for various compliances inter-alia including statement of outward supplies, filing refund claims, filing appeals, *etc.* specified, prescribed or notified under the Act, on recommendations of the GST Council.

PM CARES FUND

A special fund “Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)” has been set up for providing relief to the persons affected from the outbreak of Corona virus. The Ordinance also amended the provisions of the Income-tax Act to provide the same tax treatment to PM CARES Fund as available to Prime Minister National Relief Fund. Therefore, the donation made to the PM CARES Fund shall be eligible for 100% deduction under section 80G of the IT Act. Further, the limit on deduction of 10% of gross income shall also not be applicable for donation made to PM CARES Fund.

As the date for claiming deduction u/s 80G under Income Tax Act, 1961 has been extended up to **30.06.2020**, the donation made up to **30.06.2020** shall also be eligible for deduction from income of financial year 2019-20 relevant for assessment year 2020-21.

Hence, any person including corporate paying concessional tax on income of financial year 2020-21 relevant for assessment year 2021-22 under **new regime** can make donation to PM CARES Fund up to **30.06.2020** and can claim deduction u/s 80G against income of financial year 2019-20 relevant for assessment year 2020-21 and shall also not lose his eligibility to pay tax in concessional taxation regime for income of financial year 2020-21 relevant for assessment year 2021-22.

RM/KMN

100. The Central Board of Indirect Taxes and Customs, Department of Revenue, Ministry of Finance has issued several notifications and a circular to give effect to the assurances given in the Press Note dated 24.3.2020. Following is the list of the notifications etc.

- (i) Notification No. 30/2020 – Central Tax dated 3.4.2020
{Amendment of Central Goods and Services Tax Rules, 2017}
 - (a) Reg. : Taxpayers opting under section 10
 - (b) Reg. : Furnishing of Form GST CMP-02
 - (c) Reg. : Furnishing of Form GST ITC-03

- (ii) Notification No. 31/2020 – Central Tax dated 3.4.2020
{Amendment of notification No. 13/2017 – dated 28.6.2017}
 - (a) Reg. : Concessional rate of interest

- (iii) Notification No. 32/2020 – Central Tax dated 3.4.2020
{Amendment of notification No. 76/2018 – dated 31.12.2018}
 - (a) Reg. : Waiver of late fee for GSTR 3B1

- (iv) Notification No. 33/2020 – Central Tax dated 3.4.2020
{Amendment of notification No. 4/2018 – dated 23.1.2018}
 - (a) Reg. : Waiver of late fee for GSTR 1

- (v) Notification No. 34/2020 – Central Tax dated 3.4.2020
{Amendment of notification No. 21/2019 – dated 23.4.2019}
 - (a) Reg. : Form GST CMP - 08
 - (b) Reg. : Form GSTR CMP - 4

- (vi) Notification No. 35/2020 – Central Tax dated 3.4.2020
{Issued u/s 168A of the CGST Act, 2017}
 - (a) Reg. : Extension of time line for completion pertaining to period from 20.3.2020 to 29.6.2020 up to 30.6.2020.
 - (b) Reg. : Extension of time line for filing pertaining to period from 20.3.2020 to 29.6.2020 up to 30.6.20.
 - (c) Reg. : Extension of time line for filing pertaining to period from 20.3.2020 to 29.6.2020 up to 30.6.2020.
 - (d) Reg. : Deemed validation of e-way bills till 30.6.2020 whose validity expires between 20.3.2020 to 15.4.2020.

(vii) Notification No. 36/2020 – Central Tax dated 3.4.2020
{Amendment of notification No. 29/2020 – dated 23.3.2020}

(a) Reg. : Extension of due date of GSTR 3B of taxpayers having aggregate turnover more than 5 Crore, for the month of May, 2020 up to 27.6.2020.

(b) Reg. : Extension of due date of GSTR 3B of taxpayers of specified States and UT's having aggregate turnover up to 5 Crore, for the month of May, 2020 up to 12.7.2020.

(c) Reg. : Extension of due date of GSTR 3B of taxpayers of specified States and UT's having aggregate turnover up to 5 Crore, for the month of May, 2020 up to 14.7.2020.

101. Besides above, Central Board of Indirect Taxes and Customs has issued a Circular No. 136/06/2020 dated 3.4.2020 issuing clarifications in respect of various measures announced by the Government for providing relief to the tax payers in view o spread of Nnoval Corana Vires (Covid-19).
102. The relaxations relating to GST shall be dealt with separately.
103. Certain relaxations relating to Income Tax are being illustrated as follows:.

Illustrations

Notice

- (i) Under the Income Tax Act, 1961, 31st March, 2020, was the last date to issue **notice u/s 148(1)** r/w section 149 of the Act for assessment or re-assessment u/s 147 of the Act. Under the prevailing circumstances of Covid-19 outbreak, this might not have been possible for the Income Tax Department to issue such notice. Now, after the Ordinance and extension up to 30th June, 2020, the Department will be able to issue such notice, wherever required under the law, up to 30th June, 2020, in terms of expression “*issue of notice*”.

Sanction

- (ii) Under the Income Tax Act, 1961, 31st March, 2020, was the last date to issue notice u/s 148(1) r/w section 149 of the Act for assessment or re-assessment u/s 147 of the Act. However, such notice could be issued subject to **sanction u/s 151** of the Act Under the prevailing circumstances of Covid-19 outbreak, this might not have been possible for the Income Tax Department to obtain **sanction**. Now, after the Ordinance and extension up to 30th June, 2020, the Department will be able seek and grant such **sanction**, wherever required under the law, up to 30th June, 2020, in terms of expression grant of “*sanction*”.

Proceedings

- (iii) No order imposing a **penalty** under Chapter XXI of the Income Tax Act, 1961 can be passed after the expiry of limitation provided u/s 275 of the Act. If such limitation has expired on 31st March, 2020, then under the prevailing circumstances the limitation might have expired. Therefore, such **penalty proceedings**, which might have been **completed** on or before 31.3.2020, will now be allowed to be completed on or before 30.6.2020, in terms of expression “*completion of any proceedings by the authority*”.

Return

Income-tax return for **assessment year 2019-20** could be furnished **u/s 139(4)** of the Act up to 31.3.2020. Since 31.3.2020 is over, now an assessee cannot furnish return of income u/s 139(4). Through the lockdown was announced on 24.3.2020 and it was made effective from 25.3.2020, but the grace of five days, *i.e* from 20.3.2020 to 24.3.2020 was provided. Therefore, the period from 25.3.2020 to 31.3.2020 was available with the assesses to furnish return of income for assessment year 2019-20, of which he has been deprived of due to lockout, which will continue till 13.4.2020. Therefore, keeping in view the contingencies relating to the breakout, the Ordinance has extended the period up to 30.6.2020. Therefore, now such return can be furnished up to 30.6.2020 in terms of expression “*filing of return*”.

- (iv) **Income-tax return** for **assessment year 2019-20** could be revised **u/s 139(5)** of the Act up to 31.3.2020. Since 31.3.2020 is over, now an assessee cannot revise return of income u/s 139(5). Through the lockdown was announced on 24.3.2020 and it was made effective from 25.3.2020, but the grace of five days, *i.e* from 20.3.2020 to 24.3.2020 was provided. Therefore, the period from 25.3.2020 to 31.3.2020 was available with the assesses to revise the return of income for assessment year 2019-20, of which he has been deprived of due to lockout, which will continue till 13.4.2020. Therefore, keeping in view the contingencies relating to the breakout, the Ordinance has extended the period up to 30.6.2020. Therefore, now such return can be revised up to 30.6.2020 in terms of expression “*filing of return*”.

Statement

- (v) Under the Income Tax Act, 1961 **TDS / TCS statements** of 4th quarter of financial year 2019-20 are due to be furnished in the month of May, 2020. Now, the same will be allowed to be furnished up to 30.6.2020, in terms of expression “*filing of statements*”.

Application

- (vi) If at the time of credit or at the time of payment, as the case may be, of any income or any sum payable tax is required to be deducted at source under sections mentioned in **sub-section (1) of section 197** of the Income Tax Act, 1961, the assessee may make an **application** to the Assessing Officer for issue of appropriate certificate for lower deduction or nil deduction. Such

application is required to be made **u/s 197(1)** of the Act. If such **application** was required to be made during the period from 20.3.2020 to 29.6.2020, then as per the Ordinance such **application** can be made up to 30.6.2020, in terms of expression *“application used in section 3(1)(b) of the Ordinance”*.

- (vii) Where a person responsible for paying any sum chargeable under the Act, other than salary, to a **non-resident** considers that whole of such sum would not be income chargeable in the case of such non-resident, he may make an **application u/s 195(2)** of the Act to the Assessing Officer for determination of the appropriate portion of such sum so chargeable. If such **application** was required to be made during the period from 20.3.2020 to 29.6.2020, then as per the Ordinance such **application** can be made up to 30.6.2020, in terms of expression *“application used in section 3(1)(b) of the Ordinance”*.
- (viii) Where a person is entitled to receive any interest or other sum on which tax has to be deducted u/s 195(1) of the Act, he may make an **application u/s 195(3)** of the Act to the Assessing Officer for grant him a certificate authorizing him to receive such interest or other sum without deduction of tax. If such **application** was required to be made during the period from 20.3.2020 to 29.6.2020, then as per the Ordinance such **application** can be made up to 30.6.2020, in terms of expression *“application used in section 3(1)(b) of the Ordinance”*.
- (ix) If at the time of payment of any sum specified **u/s 206(1) or 206(1C)** of the Act tax is required to be collected (TCS) , the buyer **or** licensee **or** lessee may an **application** to the Assessing Officer for issue of certificate for collection of tax at any lower rate. Such **application** is required to be made **u/s 206C(9) of the Act**. If such **application** was required to be made during the period from 20.3.2020 to 29.6.2020, then as per the Ordinance such **application** can be made up to 30.6.2020, in terms of expression *“application used in section 3(1)(b) of the Ordinance”*.
- (x) Under **section 124(3)(a)** of the Income Tax Act, 1961, **where an assessee has made a return of income u/s 139(1)** and he has been served with a notice u/s 142(1) or 143(2), he may call in question the jurisdiction of the Assessing Officer, **within one month** from the date on which he was served with such notice. If an assessee receives such notice for AY 2019-20, say on 16.4.2020, and he want to call in question the jurisdiction of the Assessing Officer who has issued the notice, he will have to file an **application u/s 124(3)(a)** to object the exercise of the jurisdiction. Such application is to be filed within one month, *i.e* by 20.5.2020. If lock down remains, the assessee will feel hardship in filing such application. Now, by virtue of the Ordinance such application can now be filed up to 30.6.2020, in terms of expression *filing of application”*.

- (xi) Similarly, under **section 124(3)(b)** of the Income Tax Act, 1961, **where an assessee has not made a return of income u/s 139(1)** and he has been served with a notice u/s 142(1) **or 148 or** first proviso to section 144, he may call in question the jurisdiction of the Assessing Officer, **within the time allowed in such notice**. If an assessee receives a notice u/s 148 for AY 2020-21, say on 12.3.2020, and he want to call in question the jurisdiction of the Assessing Officer who has issued the notice, he will have to file an **application u/s 124(3)(b)** to object the exercise of the jurisdiction. Such application is to be filed **within the time allowed in such notice**, which is normally of 30 days. If lock down remains, the assessee will feel hardship in filing such application. Now, by virtue of the Ordinance such application can now be filed up to 30.6.2020, in terms of expression "**filing of applications**".

Other such record

Declaration

- (xii) Under **section 197A** of the Income Tax Act, 1961 no deduction is to be made in case the assessee files a **declaration** in **Form 15G or Form 15H** as the case may be. Though these forms are required to be made online, and may be argued this can be done by an assessee by sitting at home. But, how many people have such facility at their home. Many people get it done through CAs or Advocates. How many such practitioners operate from their residence. Therefore, until the lockdown ends and people are allowed to open their offices, such forms (**declarations**) cannot be furnished. If such form is due to be furnished between 20.3.2020 to 29.3.2020, now it can be furnished by 30.6.2020, in terms of expression "**filing of any other documents**".

Other such record

Response

- (xiii) A return furnished u/s 139 *i.e.* **u/s 139(1) or 139(4) or 139(5), or** a return furnished in response to a notice **u/s 142(1)** is required to be processed u/s 143(1) of the Act.

Such processing is required to be made in the manner laid down in clause (a) to clause (e) of section 143(1).

However, wherever, any adjustment is required **and** proposed to be made in accordance with sub-clause (i) to (vi) of clause (a) {sub-clause (vi) relating to adjustments on the basis of Form 26AS or Form 16 or Form 16A was applicable up to AY 2017-18 as per 3rd proviso}, the AO is obliged to give intimation of such proposed adjustments to the assessee as per 1st proviso.

Now, 2nd proviso provides time line of **30 days** for assessee to file **response** to the intimation u/s 143(1)(a)

The **30 days time** provided is the **time line specified in the Act**.

However, word **“response”** is not mentioned in section 3(1)(b) of the Ordinance, which is to be considered under the maxim of **“Ejusdem generis”**,

Therefore, if such **response** is due to be furnished between 20.3.2020 to 29.3.2020, now it can be furnished by 30.6.2020, in terms of expression **“filing of any other documents” as well as “such other record.”**

Other such record

Correction reply

- (xiv) Same is the position of correction reply to be filed **u/s 139(9)** of the Act within 15 days of receipt of the notice. The time line is 15 days specified in the Act and correction reply is covered by the word “reply.”

Therefore, if such **reply** is due to be furnished between 20.3.2020 to 29.3.2020, now it can be furnished by 30.6.2020, in terms of expression **“filing of any reply” as well as “such other record.”**

Payments (Investments)

- (xv) Under **Chapter VIA** of the Income Tax Act, 1961 certain **payments (investments)** are allowed to be made before the end of the financial year so as to make the assessee eligible to claim **deductions** out of Gross Total Income, as defined u/s 80B(5) of the Act, which is defined as follows:

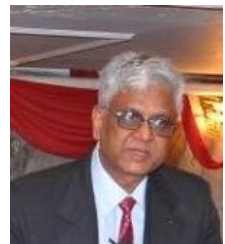
“gross total income” means the total income computed in accordance with the provisions of this Act, before making any deduction under this Chapter”

For assessment year 2020-21 the relevant financial year is closed on 31st March, 2020. Therefore, in order to allow opportunity to the assesses to choose and make investments for this purpose, the Ordinance has extended the last date from 31.3.2020 to 30.6.2020. It means that such investments made on or before 30.6.2020 shall be allowed to be claimed in computing total income of assessment year 2020-21 u/s section 2(45) r/w section 80B(5) of the Act, in terms of expression **“investment in saving instruments” or “payment for tax saving instruments”**.

- (xvi) Similarly any such **investment** required to be made to save capital gain tax could be made up to 30.6.2020. For example, **u/s 54EC six months** time has been allowed for making investment in capital gain bonds. If the period of six months has expired on any day between 20.3.2020 to 30.3.2020 or is expiring between 1.4.2020 to 29.6.2020 and under the prevailing circumstances the assessee is not able to make the desired investment, he may not claim the benefit of section 54EC. In such situation now he will be able to make such investment by 30.6.2020, in terms of expression **“investments for roll over benefit of capital gains”**.

Disclaimer

This document has been prepared for academic use only, to understand the scope and implications of the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 and related notifications and circulars and to share the same with the fellow professionals and all concerned. Though every effort has been made to avoid errors or omissions in this document yet any error or omission may creep in. Therefore, it is notified that I shall not be responsible for any damage or loss to any one, of any kind, in any manner there from. I shall also not be liable or responsible for any loss or damage to any one in any matter due to difference of opinion or interpretation in respect of the text. On the contrary it is suggested that to avoid any doubt the user should cross check the status from the available materials on the issue including the Ordinance and the Notifications and other statutory statements released in this regard.



By CA. Rajiv Kumar Jain

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9.4.2020