

# US-India Tax Forum

NEWSLETTER

Tuesday | June 20

[www.usindiataxforum.org](http://www.usindiataxforum.org) | [www.USISPF.org](http://www.USISPF.org)

## LATEST NEWS AND HIGHLIGHTS



Consultation with Customs team, Ministry of Finance to discuss issues emerging from implementation of Customs Circular on classification of telecom products and equipment

CBIC introduces additional mandatory requirements for import/export declarations for specified goods w.e.f 1st July 2023. Forum invites inputs from industry and will be making a representation shortly.

CBIC issues Circular on Customs Verification of EPR Certificates under Battery Waste Management Rules, 2022.

CBIC issues Circular prescribing procedure for payment of IGST and cess on non-fulfilment of pre-import condition and manner of claiming ITC.

## OTHER KEY ENGAGEMENTS



**ENGAGEMENT WITH CENTRAL BOARD OF DIRECT TAXES**

- Representation on coverage of international credit card transactions under Liberalised Remittance Scheme (LRS) and TCS implications
- Representation on draft 'angel tax' valuation rules
- Issues emerging from mandatory e-filing of Form IOF for non-residents



**ENGAGEMENT WITH GST POLICY WING**

- Representation on Model All India GST Audit Manual
- Representation on challenges from restricted time-limit to report e-invoices on GST portal
- GST on online gaming



**ENGAGEMENT WITH DEPARTMENT OF CUSTOMS**

- Consultation with Pr. Commissioner, Customs to discuss impact of amendments to MOOWR Scheme under Customs

## THOUGHT LEADERSHIP



USISPF Whitepaper on Multilateral Framework for International Tax Co-Operation



### UPCOMING EVENTS

- Consultation with Tax Planning and Legislation Unit, CBDT on coverage of international credit card transactions under LRS
- Consultation with Tax Policy Research Unit, Ministry of Finance, on coverage of international credit card transactions under LRS
- Consultation with Department of Telecommunications to address ambiguities in Customs classification of telecommunication products and equipment
- Consultation with GST Policy Wing to discuss policy and procedural issues under GST
- Consultation with Tax Research Unit on GST & Customs issues for energy & infrastructure companies
- Briefing session on business imperatives of FTAs
- Briefing session on All India Model GST Audit Manual



### PAST EVENTS

- Industry consultation on coverage of international credit card transactions under LRS
- Industry consultation on issues emerging from e-filing of Form IOF for non-residents
- Industry interaction with Mr. Rasmi Ranjan Das, JS (FT&TR) in Washington DC

## RECENT TAX RULINGS



In association with

In International Tax, [Bangalore ITAT](#) held that the income of Charles River Laboratories Inc. from rendering pre-clinical laboratory services to Indian customers is not taxable in India as fee for technical services under India-US DTAA as no technical know-how was made available while providing such services. In a [German Company's case](#), Delhi ITAT held that supply of drawings and designs to be not taxable as Fee for Technical Services in India due its inextricable link to offshore sale and supply of plant and equipment which itself is non-taxable in nature.

On Transfer Pricing front, [Mumbai ITAT](#) Special Bench rendered that 'Other Method' and not Comparable Uncontrolled Price Method should be Most Appropriate Method to value transfer of bundle of sports broadcasting rights. However, an assessee, in principle, can resile from Most Appropriate Method as adopted in Transfer Pricing Report *provided the new method confirmed to the requirement of Transfer Pricing Rules*. [Delhi ITAT](#) applied Berry Ratio (Operating Profit/Value Added Cost) as profit level indicator as against Operating Profit/Operating Cost for determining Arm's Length Price on merchandising trades segment as it was established that the assessee undertook very limited functions and risk in the concerned segment and earned a fixed profit margin.

[Read More at Taxutra.com](http://www.Taxutra.com)

To contribute to our ongoing discussions on these matters, please write to [@Shweta Kathuria](#) and [@Anikha Ashraf](#)

US-India Strategic Partnership  
Forum [www.usispf.org](http://www.usispf.org)

US-India Tax  
Forum [www.usindiataxforum.org](http://www.usindiataxforum.org)

Follow Us On

