

US-India Tax Forum NEWSLETTER

Thursday | June 26, 2025

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Headlines News



The Forum was invited for a meeting on the newly introduced Invoice Management System under the GST umbrella

16 June, 2025

The meeting was chaired by Shri Sanjay Kumar Agarwal, Chairman of the Central Board of Indirect Taxes and Customs (CBIC), and was attended by senior officials including Shri Shashank Priya, Special Secretary & Member (GST), CBIC; Shri Gaurav Singh, Commissioner, GST Policy Wing; Ms. Shrunkhla Kangale, Additional Commissioner, GST Policy Wing; and Manish Kumar Sinha, CEO GSTN.



Tax Forum met with Mr. Anupam Prakash, Joint Secretary, Customs, Ministry of Finance and apprised him of various ongoing Customs issues

29 May, 2025



Tax forum participated in Invest UP Global Capability Centres (GCC) Conclave

Held in Lucknow, the conclave presented the roadmap for a developed Uttar Pradesh was presented with clarity, ambition, and strong policy intent by distinguished speakers like Manoj Kumar Singh, Chief Secretary, Government of UP

10 June, 2025



Forum held a debrief session for the IMS Working Group to share key takeaways from the CBIC meeting, highlight areas needing further input, and discuss next steps to strengthen our collective voice.

23 June, 2025



Relief in GST Dispute Resolution Framework

24 June, 2025

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Goods and Services Tax

Invoice Management System (IMS) under GST: Key Dates and Timeline Explained

Date	Topic	Purpose
14 June/25 01 Feb/25	GSTN has released updated APIs for IMS in sandbox, specifically in respect of actions to be taken on credit notes. The changes are expected to be implemented from July tax period.	These changes primarily impact how recipients handle credit notes and other amendment documents that either reduce their ITC or create additional liability for the supplier. Govt via Union Budget recommended to change section 38(1) to omit the expression "autogenerated for GSTR-2B"
16 Nov/24	Important advisory on GSTR 2B and IMS	Issued to help taxpayers navigate when GSTR-2B for October-2024 was not generated on 14th November, 2024
13 Nov/24	Advisory on IMS on Supplier View	Supplier View functionality was made available on the GST portal
12 Nov/24	Advisory regarding IMS during the initial phase of its implementation	Provided clarity on certain issues encountered by taxpayers while using the IMS
17 Oct/24	Additional FAQs on IMS	Gave taxpayers a better understanding of the IMS
14 Oct/24	Attention – Advisory on IMS	Provided taxpayers with a better understanding of the IMS
01 Oct/24	NA	Launch of IMS
22 Sept/24	Frequently Asked Questions on IMS	
17 Sept/24	Draft Manual on Invoice Management System	A step-by-step procedure guiding taxpayers on the usage of the IMS
03 Sept/24	Introduction of IMS	Introduced IMS as a new communication process

Invoice Management System (IMS) under GST: Key Dates and Timeline Explained

[Read more here](#)



GSTN has released updated IMS APIs in the sandbox environment, focusing on actions related to credit notes.

14 June, 2025

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Key Highlights of the GSTN Advisory



GSTR-3B to Be Non-Editable from July 2025



Returns Barred After 3 Years



What This Means for Taxpayers



Suggested Actions for Businesses

GST Filing Alert: GSTR-3B to Become Non-Editable From July 2025; Returns Barred After 3 Years

[To read more, click here](#)

Continued Advocacy on Goods and Services Tax



Place of supply issues under GST for

- BFSI sector
- Insurance broking companies



Rate Rationalisation

- GST exemption on health insurance premiums
- Challenges faced by the Oil & Natural Gas Sector
- Issues faced by Airline Sector
- Seeking sugar content-based tax on aerated drinks
- Concessional tax rates for Maintenance Repairs and Operations (MRO) company (new unit)
- Reduction in state VATs on ATF and inclusion of ATF in GST
- Clarity on implication of 28% GST on online gaming and Others



Inverted Duty

- Input tax credit refund advocacy for edible oil industry
- Advocacy to address inverted duty rates for MRO sector
- Inverted duty structure for oil field service providers and Others



Legislative & Procedural Issues

- Banking Sector:
 - Levy of GST on investment services for overseas investors by classifying them as 'intermediary services'
 - Clarification on valuation of cross-charge transactions between Indian branch office and foreign branch office
- Request for extension on date for implementation of Invoice Management System introduced by GSTN
- Challenges pertaining to levy of GST on sourcing and risk assessment services provided by Indian Insurance Brokers to Overseas Clients and Others

Corporate Tax



Tribunal allowed set-off of PE loss against ECB interest taxable on gross basis

19 June 2025

[To read more click here](#)



Capital gains article under tax treaty allocates taxation right and is not subject to limitation of relief clause

[To read more click here](#)



The Central Board Direct Taxes (CBDT) is investigating tax evasion and laundering of unaccounted income by high-risk persons through investment in crypto currency.

[To read more click here](#)



Transfer Pricing - ITAT Allows KBS Creations' Appeal, Rules No Transfer Pricing Adjustment Without Proved 'Arrangement' Under Section 80IA(10)

[To read more click here](#)

Customs

Tax Forum Customs Engagement



Comprehensive review of duty structure on:

- Raw materials for manufacturing certain Fast Moving Consumable Goods
- Lubricants and Spare parts used by Airline Industry
- Import of cocoa beans, corns, Dried Distillers' Grains, sorghum, animal feed supplements etc.



CAROTAR (Customs Administration of Rules of Origin under Trade Agreements) Rules

- Procedural and interpretation issues leading to delays in shipments clearance
- Expediting furnishing of verification reports by country of origin
- Release of Bank Guarantees
- Issues in availing other Free Trade Agreement Benefits



Classification disputes

- Medical/Pharmaceutical Industry
- Semiconductor Industry
- Heavy Engineering
- Fast Moving Consumer Goods Industry
- Second-hand products for Research & Development
- Amendments/extension of customs notification
- Magnetic Sensor Modules



Remission of Duties and Taxes on Exported Products (RoDTEP) scheme

- Issues in availing benefits under the scheme
- Recommendations on applicable rates



Special Valuation Branch (SVB)

- Request for time bound investigations
- Automation of SVB refund



Authorised Economic Operators (AEO) Scheme

- Support in expediting license
- Issues in availing benefits
- Policy recommendations on further strengthening the scheme



All India Customs Consultative Group (AICCG)

- Bi-annual representations on legislative and procedural issues around customs



Procedural issues

- Prioritization of re-assessment of bill of entries
- Extension of Re-Import Time Limit for Medical Devices Repaired in India
- Customs Cost Recovery Charges (CRC)

Foreign Trade Engagements



Foreign Trade Engagements

- Policy Flexibility to Enable Import of Failed/Restricted Electrical & Electronic Components for R&D Purposes
- Extension of Export Obligation Period under Advance Authorization Scheme for Maize Imports
- Certification Issues Affecting Import of Potassium Gold Cyanide (PGC)

Quality Control Orders (QCOs)



Ministry of Heavy Industries extended the BIS certification deadline for machinery and electrical equipment, including compressors, pumps, metalworking and textile machines, construction equipment, cranes, transformers, and other capital goods, under the Omnibus Technical Regulation to 1 September 2026.

12 June 2025

[To read more, click here](#)



Representation to address industry wide issues in implementing QCOs around

- Toys (Quality Control) Order, 2020
- Electronics and IT Goods (Requirement for Compulsory Registration) Order, 2021
- Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Order, 2019
- Footwear Made from Leather and Other Materials (Quality Control) Order, 2024
- Bolts, Nuts and Fasteners (Quality Control) Order, 2023
- Safety of Household, Commercial and Similar Electrical Appliances (Quality Control) Order, 2025
- Medical Textiles (Quality Control) Order, 2024

Thought leadership



India Gaming report 2025

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Continued focus on publications to be released: Report on understanding taxation landscape for digital services in India.

For more information, please write to Shreeya Kashyap at skashyap@usinfofoundation.org and Prabhat Agrawal at pagrawal@usinfofoundation.org

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