



LATEST NEWS AND HIGHLIGHTS



US-India Tax Forum organized an industry consultation with Mr Sanjay Mangal, Pr. Commissioner, GST Policy Wing of Central Board of Indirect Taxes & Customs to discuss recommendations for effective resolution to the request for state-wise data by GST authorities at the time of GST audits



Finance Ministry withdraws export duties on iron ore and steel products



Forum invited to attend pre-Budget meeting at Ministry of Finance to be chaired by Chairman, Central Board of Direct Taxes

Forum to organise industry consultation to discuss changes to Transfer Pricing framework in India

US-INDIA TAX FORUM'S ADVOCACY EFFORTS



GST

- Advocacy on legislative and procedural issues
- Advocacy with Goods and Services Tax Network (GSTN) around technical issues
- Engagement with Group of Ministers on GST Rate Rationalisation
- Practical challenges faced during GST audits requiring state wise/ GSTIN wise financial statements
- Clarification on reimbursement of ESOP provided by parent company being classified as import of service



CUSTOMS AND EXCISE

- Advocacy efforts for release of outstanding SEIS refunds
- Advocacy to address ambiguities in classification of products exempted from duty
- Amendment in custom duty benefits for Oil & Gas sector
- Issues and challenges under CAROTAR rules and Faceless Assessments
- Determination of RoDTEP rates for exports from designated areas
- Duty rationalisation requests
- Challenges in implementation of Advanced Analytics in Indirect Taxation (ADVAIT) Module under Customs

CORPORATE TAX

- Recommendations for policy and procedural changes in Indian Transfer Pricing regime
- Challenges emerging from implementation of TDS under Section 194-O of the Income Tax Act



UPCOMING EVENTS

- Pre-Budget roundtable with Tax Research Unit, CBIC and Tax Planning and Legislation Unit, CBDT
- Consultation with Ministry of Finance on Transfer Pricing policy recommendations
- Consultation with committee on RoDTEP



PAST EVENTS

- Consultation with Ministry of Finance on Customs laws and policies
- Virtual Briefing on additional guidelines issued by CBDT on TDS under Section 194R of Income Tax Act
- Consultation with officials at GST Policy Wing to discuss industry concerns

RECENT TAX RULINGS



In association with

On the international tax front, [The Supreme Court](#) held Singapore Airlines and others liable for withholding tax on the Supplementary Commission paid to travel agents. [Delhi High Court](#) held that centralised services provided by a US-based entity to Indian hotels including marketing & sales to be not taxable as FTS. [Delhi ITAT](#) held capital gains earned by Mauritius-based investment company on sale of shares of an Indian company to PayU India as exempt since covered under the pre-amended provisions of Article 13 of India-Mauritius DTAA. [Mumbai ITAT](#) held that a Dutch Co.'s receipts from executive search services to be not taxable as FTS. [Delhi ITAT](#) directed the Dispute Resolution Panel to consider additional evidence furnished by Curtis, Mallet-Prevost, Colt & Mosle LLP to decide their tax liability on Independent Personal Services under India-US DTAA.

On Transfer Pricing front, [Bangalore ITAT](#) ruled on TP adjustments in respect of payment made by Cisco Systems Capital (India) Pvt.Ltd. to its AE and held that payment for administrative and marketing support services is part of the operating cost and hence, no separate TP-adjustment is warranted. *In the case of IBM India Pvt Ltd*, [Bangalore ITAT](#), in the case of IBM India, remits TP-adjustment w.r.t AMP (Advertising and Marketing Promotion) expenses and directs that in the event it is found that the expenditure is factored in net cost for computing margin, no separate adjustment needs to be made. [Bangalore ITAT](#) adjudicated on two simultaneous orders passed by TPO, invalidating the first order passed in violation of CBDT Circular No. 19 of 2019 and quashing the second being barred by limitation. [Mumbai ITAT](#) set aside revisional jurisdiction invoked by Principal Commissioner of Income-tax (PCIT) u/s 263, viewed that PCIT overstepped in exercising his revisional jurisdiction and the order passed by AO did not fulfil the mandatory requirements.

[Read More at Taxsutra.com](#)

OTHER TAX NEWS



GST

- CBIC issues clarifications on refunds due to inverted tax structure under GST



Corporate & International Tax

- OECD releases Public Comments on 'Progress Report on Administration & Tax Certainty of Amount A'
- 20+ jurisdictions sign agreements for automatic exchange of information on digital economy and offshore financial assets
- CBDT releases Explanatory Notes to Provisions of Finance Act, 2022

*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
US-India Tax Forum www.usindiataxforum.org

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