

CBIC decides to roll-out Faceless-Assessment at pan-India level for all ports/imported goods

The Central Board of Indirect Taxes and Customs has decided to roll-out the Faceless Assessment at an All India level in all ports of import and for all imported goods by October 31, 2020. Under the umbrella of the next generational Turant Customs programme, the CBIC has earlier notified Phases I and II of Faceless Assessment, which includes faceless or anonymised assessment, self-registration of goods by importers, automated clearances of bills of entry, digitisation of Customs documents, etc. The objectives sought to be achieved are exponentially faster clearance of goods, reduced interface between trade and Customs officers and enhanced ease of doing business. Please refer to the circular [here](#).

Forum submitted representation on behalf of industry seeking extension of GST compliance timelines for FY 2019-20 and annual returns for 2018-19

Owing the impact of COVID-19 which has resulted in business disruption and ability of work force to perform their tasks as well as difficulty for professionals in accessing data and interacting with the relevant stakeholders, USISPF has on behalf of its members requested CBIC for further relaxations on the compliance deadlines approaching by September 2020.

GST E-invoicing update

GST e-invoicing mechanism is mandatory w.e.f. 01.10.2020 for all tax payers (other than Insurer, Banking Company, Financial Institution including NBFC, GTA, supplier of passenger transportation service, multiplex screens and SEZ Unit) having turnover in a financial year exceeding Rs 500 crore. Government of India recently released the revised scheme (available [here](#)) along with the procedure and FAQs on QR code (available [here](#) and [here](#)). A webinar was jointly conducted by GSTN and NIC to explain these provisions. The Link to the recorded session is available [here](#) and the link to the presentation on e-invoice which contains e-invoice at glance, features and the notifications issued till date [here](#). Additionally, the mobile app has also been released to for verification of QR code, the link to download the same is available [here](#).

Forum in partnership with Deloitte India has undertaken a **survey** on the preparedness of Industry and feasibility of a smooth implementation of e-Invoice under GST and around 64% (approximately) has answered with “No” with regard to preparedness of implementation of e-invoice effective October 01, 2020. We shall continue to work with the Government to get an extension and required clarifications.

Forum submits agenda points for the 13th All India Customs consultative group meeting

The 13th All India customs consultative group meeting which is run by the Directorate General of Export Promotions (Central Board of Indirect taxes) is scheduled to be held

soon. In relation to the same USISPF was invited to share and represent the customs related issues of companies across sectors. The Consultative group is chaired by the Member (Customs) and is supported by the officials of CBIC and GST. Forum submitted a detailed submission on key custom issues across sectors and we look forward to participate at the upcoming consultation.

Forum submits request to extend customs duty exemption on COVID 19 kits and related essentials.

Being cognizant of the need to do aggressive testing, Department of Revenue had in April 2020 exempted imports of various items, such as Covid-19 test kits, ventilators and face masks from import duty and the health cess. The exemption is valid September 30, 2020. Post this date there will be an imposition of customs duty on COVID 19 testing kits and related essentials as provided under the notification. Forum has requested that the custom duty exemption and the 5% health cess on COVID-19 testing kits and other essentials which are critical in the government's fight against the COVID-19 pandemic should be extended further for at least 12 more months or such period deemed reasonable by the government to control the pandemic.

Forum to submit recommendations on Tax incidence relating to COVID linked Global mobility issues

As the world deals with disruption caused by the Pandemic and adopt measures to return to normalcy, containment measures ranging from lockdowns to ban on international travel may have resulted in employees of MNCs/U.S based entities to be stranded in non-home office locations/India. Recent announcement by the U.S to suspend H1B and other visas, are seen as an effort to augment employment in the U.S and may have also caused such visa holders to continue working from India for longer than planned/permissible. These can lead to concerns from a tax standpoint, such as creation of a taxable presence of the employer in India due to extended periods of stay by their employees, impact on employees taxation in India due to applicability of domestic residency rules as well as social security implications etc. Immigrations matters in such cases also add to the complications. While the OECD has expressed its views to address potential tax implications arising due to COVID, the Indian Revenue has limited its guidance to tax residency rules for such individuals which currently is applicable for year ended 31 March 2020. We are working on a detailed note with suggestions and scenarios in which these relaxations are needed which we intend to submit to CBDT by next week.

Forum to submit recommendations to Ministry of Finance regarding the Income tax exemption for foreign OEMs– direct taxes

Forum is in the process of doing industry consultation subsequent to which we will submit recommendations regarding the Income tax exemption for foreign OEMs in respect of

contracts with DPSUs (currently such exemption is available only for contracts with Ministry of Defence). A plain reading of the relevant provision of the Act excludes the following two types of agreements which otherwise would fulfil necessary criteria of being connected with security of India:

- a. Agreements entered by foreign companies (say, OEMs) with Defence Public Sector Undertakings (DPSUs), under administrative control of the Ministry of Defence, Government of India; and
- b. Agreements entered by such OEMs under the Government-to-Government (G2G) framework approved by the Government of India, for the purpose of defence procurement.

For further details please reach us [here](#)