

## **CBIC relaxes mandatory e-invoicing requirement for October 2020 subject to conditions and also waives penalty**

GST e-invoicing mechanism is mandatory w.e.f. 01.10.2020 for all tax payers having turnover in a financial year exceeding Rs 500 crore. Basis USISPF's survey on the preparedness of Industry we had requested GST council to consider postponing the date of mandatory implementation. CBIC has in a recent press release considered our request and has waived the penal provisions w.r.t. mandatory e-invoicing prescribed for taxpayers having aggregate turnover of Rs. 500 Cr. and above for the month of October 2020. In a press release issued CBIC has clarified that invoices issued by such taxpayers during October 2020 without following the manner prescribed under rule 48(4), shall be deemed to be valid and the penalty leviable u/s 122 for such non-adherence to provisions, shall stand waived if Invoice Reference Number (IRN) for such invoices is obtained from the Invoice Reference Portal (IRP) within 30 days of date of invoice. We are glad that our recommendations are considered. We will continue to work with the Government to get the required clarifications. Please refer to the press release [here](#).

## **CBIC defers requirement of QR code in B2C invoices to Dec 01**

CBIC defers implementation of requirement of Dynamic QR code in B2C invoices to December 01, 2020. Given that the requirement to a Dynamic QR code USISPF had requested the GST council secretariate to allow industry some more time to get the systems ready for generating such a QR code. Unlike e-invoicing where the QR code is pre-generated by IRP and sent to a taxpayer, here the taxpayer would need to self-generate the QR code. With a limited time of a week for 01 October 2020, there was an urgent need to defer this requirement of incorporating B2C QR code. We are glad our recommendations are considered. Please refer to the notification [here](#).

## **Government extended GST compliance timelines**

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 had on behalf of its members requested CBIC for further relaxations on the compliance deadlines approaching by September 2020. We are glad our recommendations are considered.

## **CBDT further extends belated /revised return filing due-date for AY 2019-20 till November 30th**

CBDT further extends belated /revised return filing due-date for AY 2019-20 from September 30th to November 30th. Please access the order [here](#).

## **Ministry of Finance issues guidelines on applicability of TDS on E-commerce operators u/s. 194-O & TCS on sale of goods u/s. 206C(1H)**

CBDT issues guidelines on applicability of TDS on E-commerce operators u/s. 194-O & TCS on sale of goods u/s. 206C(1H) applicable w.e.f. October 1<sup>st</sup>. guidelines clarifies on calculation of threshold, applicability on payment gateways, adjustment for sale return, discounts or indirect taxes and other issues. You would recall that we as a Forum had submitted draft FAQs on the TDS levy with CBDT. Some of our recommendations are considered as part of the guidelines released. Please access the guidelines [here](#).

## **Forum submitted suggestions on difficulties faced under Faceless Assessment, pursuant to webinar conducted on 24-September**

USISPF hosted an Interactive session on Trade Facilitation measures including Faceless Assessment under Customs with Central Board of Indirect taxes & Customs officials. Further to the webinar and on the basis of the feedback received from our members we have submitted details suggestions on how to make the scheme effective.

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

Forum has submitted 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.

## **CBDT notifies Faceless Appeal Scheme, 2020 applicable from 25 September 2020**

The Prime Minister of India, Shri Narendra Modi, while launching platform for 'Transparent Taxation – Honoring the Honest' had said that faceless appeal under the Income-tax Act will be available across the country from 25-09-2020. Now, the Central Board of Direct Taxes (CBDT) has notified the Faceless Appeal Scheme, 2020 effective from 25-09-2020. Please access the notifications [here](#).

## **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.

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