

CBDT continues to concessional 5% withholding tax for FPI debt interest income – first home page then policy updates corporate tax

The central Board of Direct taxes has clarified that foreign portfolio investors (FPIs) will continue to enjoy 5 withholding tax on debt interest income. The clarification came after a few reports said that the concessional withholding tax rate of 5 per cent on interest income of FPIs has been withdrawn. The Central Board of Direct Taxes confirmed recently that the five per cent tax rate on interest income of FPIs will see no change. Please access the press release [here](#).

Forum submits industry request seeking extension on the date of implementation of QR code on B2C invoices – first home page then submissions GST

Recently, CBIC had issued clarifications in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices and compliance of Notification No. 14/2020- C.T. dated March 21, 2020. Please refer to clarifications [here](#). On the basis of feedback received from our members, USISPF has submitted a detailed note highlighting the need for additional clarifications. To discuss the feedback and to share further suggestions to the Government forum did back to back meetings with CBIC, GST policy wing and also with the GST council secretariate. Given that guidelines were only recently and the need for additional time for companies to implement this compliance, Forum has now requested GST council secretariate and the CBIC for deferring the date of implementation.

Forum submits industry ask for issuance of revised Circular on the classification of Information Technology enabled Services as ‘intermediary services’ as recommended by the GST council in 37th meeting - first home page then submissions GST

The IT-ITeS industry has been grappling with challenges on the concept of ‘intermediary services’ and being exposed to demand of GST at 18% on exports, even though the billing for its activities are made to overseas customers for which foreign exchange is received as well. Forum has been diligently pursuing this matter with the Ministry of Finance, the GST Law Committee, the GST Council Secretariat and the Board (CBIC) and have made multiple requests earlier. However, the industry is still awaiting a concrete resolution on this issue around “intermediary”. We have now submitted a request for issuance of revised Circular on the classification of Information Technology enabled Services as ‘intermediary services’ as recommended by the GST council in 37th meeting.

Central Board Direct Tax’s FT&TR Bulletin – only home page for 1 week.

CBDT (Foreign Tax & Tax Research Division) publishes International Tax Bulletin for March 2021. Please access the bulletin [here](#).