



Azadi Ka Amrit Mahotsav Activity

“Sky High- Symposium -28 Webinar” conducted by Women Members Empowerment Committee of ICAI on 9th November 2022

The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)

Women Members Empowerment Committee Organises

Azadi Ka Amrit Mahotsav

Sky High - Symposium-28
Live Webinar
for Women by Women Every Wednesday

9th Nov, 2022
5.00 PM to 7.00 PM

FEES NIL

2 CPE Hours Unstructured

Registration and participation link:
<https://live.icai.org/wmec/09112022/>

Amendments and Issues in TDS/TCS Provisions

Useful Tools for Team Management & Better CA Practice

CA. Hetal Gada

CA. Meenakshi Bherwani

Welcome Address

Introductory Remarks

CA. Sripriya Kumar
Chairperson, WMEC & CL&CGC
Vice-Chairperson, IBC Committee

CA. Priti Paras Savla
Vice-Chairperson, WMEC, CL&CGC,
Sustainability Reporting Standards Board

Co-ordinators

CA. Ashwini Doshi

CA. Mamta Rajani

CA. Ashita Shah

CA. Shilpa Surana

Questions related to the topic may be sent in advance at wmec@icai.in or LIVE at the time of Program itself at the same link

As part of country wide Azadi ka Amrit Mahotsav initiatives, envisaged by Government of India, to commemorate and celebrate 75 years of India's Independence, the Women Members Empowerment Committee (WMEC) of ICAI organized “Sky High- Symposium -28 Webinar” on 9th November 2022.

CA. Hetal Gada and CA. Meenakshi Bherwani were speakers of the said webinar. Coordinators for the day were CA. Ashwini Doshi, CA. Mamta Rajani, CA. Ashita Shah and CA. Shilpa Surana.

The webinar covered discussion on “Amendments and Issues in TDS/TCS Provisions”. Deliberations were made on Section 194R- TDS on benefits or perquisite in respect of Business or Profession, FAQs relating to Sec 194R, Section 194S- TDS on transfer of Virtual Digital Asset, FAQs related to Sec 194S, Section 194-IA – TDS on transfer of certain Immovable Property, Section 194P- TDS in case of Specified Senior Citizens, Section 194Q- TDS on Purchase of Goods, etc.

Sec 194R – TDS on benefit or perquisite in respect of business or profession

- Extracts from the Memorandum
- As per clause (a) of section 28 of the Act, the value of any benefit or perquisite, whether convertible into money or not, arising from business or exercise of profession is to be charged as business income in the hands of the recipient of such benefit or perquisite. However, in many cases, such recipient does not report the receipt of benefits in their return of income, leading to furnishing of incorrect particulars of income.
- Accordingly (consequently), in order to widen and deepen the tax base, it is proposed to insert a new section 194R to the Act...
- Extract of Finance Minister's Speech
Rationalizing TDS Provisions
- It has been notified that as a business promotion strategy, there is a **tendency on businesses to pass on benefits to their agents. Such benefits are taxable in the hands of the agents. In order to track such transactions, I propose to provide for tax deduction by the person giving benefits, if the aggregate value of such benefits exceeds Rs. 20,000 during the financial year.....**
- Meaning of the term Benefit / Perquisite – not defined under the Act.



Sec 194R – FAQs issued in Circular for removing difficulties

- Guidelines issued in the form of Circular no. 12/2022 dated 16th June, 2022 and Circular no. 18/2022 dated 13th September, 2022 for removing difficulties
- Power of a Circular
- Binding on Revenue authorities but not on the tax payer
- Circulars are issued to give more clarity of the statutory provisions but cannot go beyond them
- Circulars cannot expand the scope of the statutory provisions
- Circulars cannot go beyond the law interpreted by High Court and Supreme Court
- Guidelines issued under Sec 194R can be binding only to the extent they are removing difficulties



Sec 194S – TDS on transfer of Virtual Digital Asset

Nature of transaction	Transfer of Virtual Digital Asset
Liability on	Person paying consideration for transfer of Virtual Digital Asset (Resident as well as Non-Resident)
TDS to be deducted in case of	A person Resident in India
Threshold Limit	a. Exceeding Rs. 50,000/- Specified person – Individual or HUF with no business or profession income OR Individual or HUF turnover, gross receipts or sale in business not exceeding Rs. 1 crore or in profession not exceeding Rs. 50 lakhs b. Exceeding Rs. 10,000/- for persons other than specified person
Rate of TDS	1% of consideration
Time of deductibility	At the time of credit or payment whichever is earlier
Tax deduction in certain circumstances	Transfer in kind or partly in cash and partly in kind and cash is insufficient to deduct TDS, then buyer to ensure tax has been paid before the transfer.
Applicable from	1st July, 2022 (Threshold limit to be determined for FY 2022-23, though liability to deduct TDS only on transfer on after 1 st July, 2022)
Lower TDS Application	No reference of Sec 194S in Sec 197 which means no application can be made for Lower or Nil TDS and TDS deduction to be undertaken mandatorily
Relaxation to specified persons	a. Specified person not required to obtain TAN number b. Higher rate not applicable in case specified person has not filed returns of income in 2 of the immediately preceding previous year



Sec 194-IA – TDS on transfer of certain immovable property

- Provisions of Sec 194IA for TDS on transfer of immovable property are on statute since 1st June, 2013. The amendment is effective from 1st April, 2022

	Existing Provisions	Amended Provisions
Buyer	Resident or Non Resident	Resident or Non Resident
Seller	Resident	Resident
Threshold Limit	Consideration on transfer exceeding Rs. 50 lakhs	Consideration on transfer or Stamp duty value exceeding Rs. 50 lakhs If Both don't exceed Rs. 50 lakhs, no liability to deduct tax.
Rate of TDS	1% of consideration	1% of consideration or Stamp Duty value whichever is higher

- Issue - Stamp duty value to be considered on which date. Date of allotment, date of agreement or date of registration?



Sec 194P – TDS in case of Specified Senior Citizens

Applicable to	Specified Senior Citizen being Resident Individual a. Age of 75 years or more b. Pension Income and Interest income from same specified bank in which pension is received c. Declaration to the specified bank in the prescribed format
Specified Bank	Notified Banking Company
Rate of TDS	Rates in force applicable after granting deduction under Chapter VIA and rebate u/s 87A.
Exemption	Specified Senior Citizen shall be exempted from filing Income tax return for the year in which tax is deducted under the said section
Applicable from	1 st April, 2021

- Interest from Savings Bank Account and interest on Fixed deposits should be eligible
- Exempt income. Literal reading vs Liberal view
- Banks to test new regime of tax vs old regime of tax and should apply the most beneficial regime
- Account with more than 2 banks, shall not be eligible from exemption to file income tax return. Declaration to contain such clause



Sec 194Q – TDS on Purchase of Goods

Nature of Expenses	Purchase of Goods
Applicable to	Buyer purchasing goods from Seller (Resident) Buyer means a person whose sales, turnover or gross receipts exceeds Rs. 10 crores in immediately preceding financial year
Threshold Limit	Rs. 50 Lakhs (value or aggregate of value)
Rate of TDS	0.1% on purchases exceeding Rs. 50 lakhs
Time of deductibility	At the time of credit or payment whichever is earlier
Applicable from	1 st July, 2021
Provisions not applicable when	a. Tax is deductible under any other provisions b. TCS is collectible u/s. 206C (other than 206C(1H))



The webinar also covered Session on “Useful Tools for Team Management & Better CA Practice”. Topics discussed were Skills to stand out, Google Calendar, Team Meet, Online Sticky Notes, Google Sheets, Google Slides, Google Drive, Hangouts, etc.

Skills are the way to stand out

- Everyone is Academically equipped lets be technically equipped
- Akhir Tumme aisa kya Hai



Every Locked Door is an opportunity,
You just need to find the right Key !!



Google Calendar
Task Reminder & Events



Other Useful tools

- Google Sheets
- Google Slides
- Google Drive
- Hangouts

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The webinar concluded by giving Vote of Thanks to the Speakers and the participants.

Glimpses of the Webinar held on 9th November 2022



