

DIRECT TAX CA. Haresh Kenia, CA. Deepak Lala	
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INCOME TAX (THIRTY- SECOND AMENDMENT), RULES, 2021 - SUBSTITUTION OF FORM NO. 52A

NOTIFICATION G.S.R. 831(E) [NO. 132/2021/F.NO.370142/55/2021-TPL], DATED 23-11-2021

In exercise of the powers conferred by section 285B read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

Short title and commencement

- (1) These rules may be called the Income-tax (32nd Amendment), Rules, 2021.
(2) They shall come into force from the date of their publication in the Official Gazette.
- In the Income-tax Rules, 1962, in Appendix II, for Form No. 52A, the following Form shall be substituted, namely:—

FORM NO. 52A

[See rule 121A]

Statement to be furnished to the Assessing Officer under section 285B of the Income-tax Act, 1961, in respect of production of a cinematograph film

SECTION 90 OF THE INCOME-TAX ACT, 1961 - DOUBLE TAXATION RELIEF - PROTOCOL AMENDING AGREEMENT BETWEEN GOVERNMENT OF REPUBLIC OF INDIA AND GOVERNMENT OF KYRGYZ REPUBLIC FOR AVOIDANCE OF DOUBLE TAXATION AND FOR PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

NOTIFICATION S.O. 5094(E) [NO.135/2021/F. NO. 503/07/95-FTD-II], DATED 8-12-2021

Whereas, the Protocol, amending the Agreement between the Government of the Republic of India and the Government of the Kyrgyz Republic for the avoidance of double taxation and for the prevention of fiscal evasion with respect to taxes on income which was signed at New Delhi on 13th April, 1999, has been signed at Bishkek, Kyrgyz Republic on 14th June, 2019, as set out in the Annexure appended to this notification (hereinafter referred to as the said amending Protocol);

And whereas, the date of entry into force of the said amending Protocol is the 22nd October, 2020, being the date of the later notification of the completion of the procedures required by the respective laws for the entry into force of the said amending Protocol, in accordance with Article 3 of the said amending Protocol;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 90 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies that all the provisions of the said amending Protocol, as annexed to this above notification shall have effect in the Union of India.

INCOME-TAX (THIRTY-THIRD AMENDMENT) RULES, 2021 - INSERTION OF RULE 21AK

NOTIFICATION G.S.R. 851(E) [NO. 136/2021/F.NO. 370142/53/2021-TPL (PART-II)], DATED 10-12-2021

In exercise of the powers conferred by clause (4E) of section 10 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

Short title and commencement

1. (1) These rules may be called the Income-tax (33rd Amendment) Rules, 2021.
(2) They shall come into force from the date of their publication in the Official Gazette.
2. In the Income-tax Rules, 1962, after rule 21AJ, the following rule shall be inserted, namely:—

“21AK. Conditions for the purpose of clause (4E) of section 10.—(1) The income accrued or arisen to, or received by, a non-resident as a result of transfer of non-deliverable forward contracts under clause (4E) of section 10 of the Act, shall be exempted subject to fulfillment of the following conditions, namely:-

 - (i) the non-deliverable forward contract is entered into by the non-resident with an offshore banking unit of an International Financial Services Centre which holds a valid certificate of registration granted under International Financial Services Centres Authority (Banking) Regulations, 2020 by the International Financial Services Centres Authority; and
 - (ii) such contract is not entered into by the non-resident through or on behalf of its permanent establishment in India .

(2) The offshore banking unit shall ensure that the condition provided in clause (ii) of sub-rule (1) is complied with.

Explanation.- For the purpose of this rule, the expression,-

- (i) “permanent establishment” shall have the meaning assigned to it in clause (iiia) of section 92F;
- (ii) “a non-deliverable forward contract” shall mean a contract for the difference between an exchange rate agreed before and the actual spot rate at maturity, with the spot rate being taken as the domestic rate or a market determined rate and such contract being settled with a single payment in a foreign currency; and
- (iii) “offshore banking unit” means a banking branch Unit located in an International Financial Services Centre, as referred to in sub-section (1A) of section 80LA of the Act.”

E-VERIFICATION SCHEME, 2021

NOTIFICATION S.O. 5187(E) [NO. 137 /2021/ F.NO. 370142/57/2021-TPL(PART-I)], DATED 13-12-2021

In exercise of the powers conferred by sub-sections (1) and (2) of section 135A of the Income-tax Act, 1961 (43 of 1961), the Central Government has hereby notified the E-Verification Scheme 2021. It deals with mismatch of taxpayers information reported by reporting entities. The scope of the scheme shall be in respect to collecting information under sections 133, 133B, 133C, the exercise of power to inspect registers of companies under section 134, and exercise of the power of AO under section 135. The Scheme shall be applicable to verify the mismatch of the information uploaded to the taxpayer’s registered account.

As per the Scheme, where the mismatch between the amount accepted by the assessee and the amount reported by the reporting entity persists, the information after initial e-verification shall be run through a risk management strategy laid down by the Board. The information found to be no/low risk on such risk criteria or where no further action is required shall be processed for closure.