

DIRECT TAX – LAW UPDATE
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INCOME-TAX (THIRD AMENDMENT) RULES, 2020 - AMENDMENT IN RULE 6DD INSERTION OF RULE 6ABBA

NOTIFICATION NO. 8/2020 [G.S.R. 56(E)/ F.NO.370142/14/2019-TPL], DATED 29-1-2020

The CBDT has inserted Rule 6ABBA wef 1st September, 2019 prescribing the other electronic modes for the purposes of clause (d) of first proviso to section 13A, clause (f) of sub-section (8) of section 35AD, sub-section (3), sub-section (3A), proviso to sub-section (3A) and sub-section (4) of section 40A, second proviso to clause (1) of Section 43, sub-section (4) of section 43CA, proviso to sub-section (1) of section 44AD, second proviso to sub-section (1) of section 50C, second proviso to sub-clause (b) of clause (x) of sub-section (2) of section 56, clause (b) of first proviso of clause (i) of Explanation to section 80JJAA, section 269SS, section 269ST and section 269T, namely: credit card, debit card, net banking, IMPS, UPI, RTGS, NEFT, BHIM. It has also amended Rule 6DD to specify cases and circumstances in which a payment or aggregate of payments exceeding ten thousand rupees may be made to a person in a day, otherwise than by an account payee cheque drawn on a bank or account payee bank draft or use of electronic clearing system through a bank account or through such other electronic mode as prescribed in rule 6ABBA.

INCOME-TAX (FOURTH AMENDMENT) RULES, 2020 - INSERTION OF RULES 21AE & 21AF AND FORM NO. 10-IC AND FORM NO. 10-ID

NOTIFICATION G.S.R. 110(E) [NO. 10/2020/F.NO./370142/34/2019-TPL], DATED 12-2-2020

The CBDT in exercise of the powers conferred by section 115BAA and section 115BAB read with section 295 the Income-tax Act, 1961 has inserted Rule 21AE and prescribed Form 10-IC for exercising option under sub-section 5 of section 115BAA. It has also inserted Rule 21AF and prescribed Form 10-ID for exercising option under sub-section 7 of section 115BAB.

INCOME-TAX (FIFTH AMENDMENT) RULES, 2020 - INSERTION OF RULE 114AAA NOTIFICATION G.S.R. 112(E) [NO.11/2020/F.NO. 370149/166/2019-TPL], DATED 13-2-2020

In exercise of the powers conferred by proviso to sub-section (2) of section 139AA read with section 295 of the Income-tax Act, 1961, the Central Board of Direct Taxes has inserted new Rule 114AAA in the Income Tax Rules, 1962 prescribing the manner of making permanent account number inoperative vide Income-tax (5th Amendment) Rules, 2020, which shall come into force from the date of publication in the official gazette. As per Rule 114AAA, where a person, who has been allotted the permanent account number as on the 1st day of July, 2017 and is required to intimate his Aadhaar number under sub-section (2) of section 139AA, has failed to intimate the same on or before the 31st day of March, 2020, the permanent account number of such person shall become inoperative immediately after the said date for the purposes of furnishing, intimating or quoting under the Act. Further, where a person, whose permanent account number has become inoperative as per above, is required to furnish, intimate or quote his permanent account number under the Act, it shall be deemed that he has not furnished, intimated or quoted the permanent account number, as the case may be, in accordance with the provisions of the Act, and he shall be liable for all the consequences under the Act for not furnishing, intimating or quoting the permanent account number. Where the person whose permanent account number has become inoperative as above, has intimated his Aadhaar number under sub-section (2) of section 139AA after the 31st day of March, 2020, his permanent account number shall become operative from the date of intimation of Aadhaar number, for the purposes of furnishing, intimating or quoting under the Act. The Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems) shall specify the formats and standards along with the procedure for verifying the operational status of permanent account number.