

I. Income Tax

a. Changes in dates for issuance of TDS Certificate

The dates for issuance of TDS certificate from the financial year beginning April 1, 2010 have been changed as per the following.

Form No.	Periodicity	Revised Due date
16 (For Salary)	Annual	By 31st May of the financial year immediately following the financial year in which the income was paid and tax deducted
16A (Other than Salary)	Quarterly	Within 15 days of due date of submission of TDS return.

b. Due date for deposit of TDS deducted in the month of March

Tax deducted at source during the month of March is now required to be deposited by April 30. Earlier, TDS deducted in the month of March was required to be deposited by April 7th except for that which has been deducted on March 31 which was required to be deposited by May 31st.

c. Due date for submission of TDS/TCS return for Quarter 4

The due date for submission of TDS/TCS return for the tax deducted/collected during the fourth quarter of a financial year has now been changed to 15th May from 15th June earlier. This amendment is effective from April 1, 2010.

d. Revised Discussion paper on Direct Tax Code released

The Government has released a revised discussion paper on the Direct Tax Code after incorporating various concerns received by it. Few of the significant changes from the original Direct Tax Code are

- i. Minimum alternate tax proposed to be calculated on book profits vis-à-vis value of gross assets proposed earlier.
- ii. Specified savings to continue to enjoy the Exempt-Exempt-Exempt routine vis-à-vis Exempt-Exempt-Tax routine proposed earlier.
- iii. Presumptive taxation of house property income on the basis of cost of acquisition/construction has also been proposed to be removed.
- iv. Capital gains, both long term and short term, are proposed to be taxed at the same rate.
- v. Long term Capital gains on listed equity share and mutual funds proposed to be taxed.
- vi. Significant changes proposed in taxation of not-for-profit organisations.
- vii. Scope or period of profit linked deductions proposed not to be extended.
- viii. Foreign company to be treated as resident in India on the basis of 'effective place of management' vis-à-vis 'partial control or management' as proposed earlier.
- ix. Double taxation avoidance agreement to prevail over the Direct Tax Code.

II. Corporate Law

a. Minimum public holding in the case of listed companies prescribed at 25%

The Government has prescribed that all companies listed on any stock exchange should have a minimum public holding of 25% to provide liquidity to the share holders and to discover fair prices.

Companies getting listed would now be required to be comply with the above requirements, subject to certain exceptions. Existing companies, whose public shareholding is less than 25%, shall increase such public shareholding at 5% per annum till such percentage is achieved.

III. Delhi Value Added Tax

a. Annexure 2A and 2B not required to be filed for the month of May 2010

The government has been actively considering the implications of the amendments made earlier in respect of the credit of VAT paid on the purchases.

In view of above, Government directed by way of circular to file the D-VAT return for the month of May without filing the hard copy of Annexure-2A and Annexure 2B.

IV. Service Tax

a. Provisions of Finance Act, 2010 come into force

The provisions of Service Act as enacted in Finance Act, 2010 have been brought into force w.e.f July 1, 2010 through notification dated June 22, 2010. The following new services become taxable from the July 1, 2010.

1. Services of games of chance including lottery.
2. Services of hospital or nursing home to an employee of business entity or to a person covered under health insurance scheme
3. Services of maintenance of medical records of employees of a business entity
4. Services of brand promotion
5. Services of commercial usage or exploitation of any event including marriage
6. Services of an electricity exchange
7. Services of transfer or use of Copyright
8. Ancillary services provided by a builder such as preferential location charges but not including services in relation to parking space.
9. Services of sponsorship in relation to sports events.
10. Services of Construction of Commercial/Industrial/Residential building when consideration received wholly or partly before completion of building.

Further, the service of renting of immovable property again becomes taxable, although a writ against the same has been filed in High Court.

b. Tax on sponsorship of sports event of specified sports authorities exempted

Services of sponsorship in relation to sports events had been made taxable through the budget. However, sponsorship to sports events under the aegis of specified sports authorities have been made exempted.

c. Tax on services of transportation of goods by rail deferred

The exemption of service tax on transportation of goods by Government Railways had been withdrawn w.e.f July 1, 2010. The date for withdrawal of exemption has been further extended to January 1, 2011.

d. Tax on services provided inside a port/airport exempted

The Government has exempted specified services from the charge of service tax where such services are provided wholly within any port or airport.

e. Tax on advance payments received before July 1, 2010 for new services exempted

In the case of new services that have become taxable in the Finance Act, 2010, the Government has exempted that portion of the service tax for which payment has already been received in advance before July 1, 2010 but the service has not rendered. In other words, tax would only be leviable on payments received after July 1, 2010.



Relevant due dates for the month of July, 2010**Income Tax**

7th July	Deposit TDS/TCS deducted/collected during the month of June, 2010
15th July	Submit return for TDS/TCS for the quarter ending June, 2010
30th July	Issue Form 16A for the quarter April to June 2010 for all non-salary deductions of TDS
31st July	Submit return of Income tax of assesseees whose accounts are not required to be audited.

Service Tax/Excise Duty

5th July	Deposit Service Tax / Excise Duty liability for the month/quarter* of Jun, 2010
6th July	Deposit Service Tax / Excise Duty liability for the month / quarter* of Jun, 2010 electronically.
10th July	Submit return of Excise Duty for liability for the month/quarter# of Jun, 2010
15th July	Submit quarterly returns of Excise Duty of First Stage and Second Stage Registered Dealers

* Applicable in case of individuals, proprietary concerns and partnership firm

Applicable in case of SSIs and other specified entities

DVAT

25th July	Submit monthly/quarterly return in electronic form
28th July	Submit monthly/quarterly return in manual form

Labour Law

15th July	Deposit Employee's & Employer's contributions to provident fund for the month of June 2010 (grace of 5 days).
21st July	Deposit ESI dues for the month of June 2010
25th July	Submit return of Provident Fund

Foreign Contribution Regulation Act

31st July	Submit return in Form – FC3 alongwith Financial Statements for foreign funds
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