

India Finalises Pricing Reporting Rules under OECD Plan

India's tax authority recently announced rules covering how multinational companies are expected to disclose transfer pricing information for each country where they operate, measures that are part of government's alignment with the Organization for Economic Cooperation and Development's efforts to curb corporate tax avoidance. The Central Board of Direct Taxes, a division of India's Ministry of Finance, released a statement outlining the transfer pricing disclosure requirements under country-by-country reporting rules it had issued in 2016 under changes to the Income Tax Act. India added sections to its tax code at the time in response to reporting recommendations that the OECD had set out as part of its larger base erosion and profit shifting plan — the culmination of the organization's effort to tamp down international tax avoidance. Country-by-country reporting, which falls under Action 13 of the BEPS plan, is a way for multinational entities to annually share with tax authorities the business that they do in each tax jurisdiction where they operate. The reports are designed to promote transparency in part by sharing information on high-level transfer pricing.

(Source: www.economictimes.com)

Finance Ministry May Hike Monetary Limit for Filing Tax Appeals

To reduce Centre's tax cases, the finance ministry is contemplating a further increase in the monetary limit for filing the appeals in tax appellate tribunals, high courts and Supreme Court.

On August 22, finance ministry's revenue department told the department of justice that "they have conducted a litigation conference and are also trying to increase the money limit further" for filing the appeals. The Department of Justice had called a meeting with various central government's departments on the topic of "reducing government litigations" at August 22.

On December 25, 2015, the Central Board of Direct Taxes (CBDT) issued a circular increasing the monetary limits for filing appeals to ₹10 lakh, ₹20 lakh and ₹25 lakh for ITAT (Income Tax Appellate Tribunal), High Courts and Supreme Court, respectively. Similarly, on December 30, 2016, the Central Board of Excise and Customs (CBEC) announced that it would not file appeals below the threshold limit of ₹10 lakh, ₹20 lakh and ₹25 lakh in CESTAT (Customs, Excise and Service

Tax Appellate Tribunal), High Courts and Supreme Court, respectively. The CBEC and CBDT work under the revenue department of finance ministry.

According to the minutes of the August 22 meeting, the revenue department has "informed that after taking several measures during the last few months, pendency has gone down but the number of pending cases is still quite high ... 6,357 cases are pending in the Supreme Court, about 38,500 cases in high courts and 94,000 cases in ITAT". The minutes of the meeting also state: "Increasing the monetary limit for filing appeals before ITAT, high courts and Supreme Court has resulted in appeals withdrawal to the tune of 17,031... They (revenue department) have also identified about 6,000 cases which are fit for withdrawal from high courts and CESTAT, out of these 5,480 cases have been withdrawn."

(Source: www.indianexpress.com)

Indirect Taxes Collection Could Fall Short of Target Due to GST

Indirect taxes collection by the government may fall short of the target during the current financial year due to disruption caused by the GST rollout, Central Board of Excise and Customs (CBEC) chairperson Vanaja Sarna said recently. For the fiscal year ending March 2018, the government had fixed a target of ₹9.68 lakh crore for revenue collections from customs and GST. However, the CBEC chairperson said there was no plan to revise the revenue collection target for the year. The revenue collection target from customs and GST, which put together is ₹9.68 lakh crore for the current fiscal, seems difficult for the department to achieve at the moment, keeping in view the recent GST rollout, the CBEC chairperson said in Mumbai.

(Source: Press Trust of India)

Businesses Need not Deduct GST on Advances Received for Goods Supply: CBEC

The government has exempted businesses from deducting GST on advances received for supplying goods in future, a move which will help unblock working capital of firms. The government has also allowed exporters to manually file before tax officers claims for GST refunds as it looks to fast track clearance of dues to ease liquidity stress faced by them. Now exporters of services who paid IGST and those making zero rated supplies to SEZ units as well as those merchant exporters who want to claim refunds for input credit can approach their jurisdictional commissioner with their refund form. "Due to the non-availability of the refund module on the common portal, it has been decided by the

competent authority that the applications/documents/forms pertaining to refund claims on account of zero-rated supplies shall be filed and processed manually till further orders," the CBEC said in a circular.

(Source: www.economictimes.com)

High Court Judges, Experts Brainstorm on Likely GST Litigations

With the Goods and Services Tax in place, 20 judges from 12 high courts brainstormed with experts and top government officials on identifying grey areas in the new regime that may throw up litigations in coming days. Top domain experts and officials from the GST Intelligence and the Central Board of Excise and Customs (CBEC) briefed judges about the new tax system recently, according to documents available in the public domain. The deliberations took place at a recent national judicial conference for high court judges on the GST regime organised by the Bhopal-based National Judicial Academy.

(Source: www.hindustantimes.com)

Redress Taxpayers' Grievances on Priority: CBDT to I-T Department

A "concerned" Central Board of Direct Taxes (CBDT) has asked the Income Tax (I-T) department to take prompt steps and address the taxpayers' grievances, especially those related to refunds and PAN, within 30 days of their receipt. CBDT Chairman Sushil Chandra has written a letter to all

the principal chief commissioners of the department in the country, underlining that the high pendency of such complaints "reflects poorly on the efforts made by the field officers". The letter states that as many as 1,492 grievances of taxpayers are pending and most of those pertain to issuance of refunds, followed by cases of rectification and PAN (Permanent Account Number) and TAN (Tax Deduction Account Number) issues.

(Source: www.thehindubusinessline.com)

CBDT Signs 7 More Unilateral APAs with Taxpayers

The Central Board of Direct Taxes (CBDT) has signed seven more advance pricing agreements (APAs) with Indian taxpayers as it looks to reduce litigation by providing certainty in transfer pricing. The seven APAs signed over the last month pertain to sectors like FMCG, semi-conductor, information technology, travel and leisure, office furniture and engineering. "The Central Board of Direct Taxes (CBDT) has entered into seven more Advance Pricing Agreements (APAs) during October 2017. All these agreements are unilateral," the CBDT said in a statement. With the signing of these agreements, the total number of APAs entered into by the CBDT has gone up to 184, which includes 171 unilateral and 13 bilateral APAs. In 2017-18, a total of 32 APAs (2 bilateral and 30 unilateral) have been signed till date.

(Source: <http://www.incometaxindia.gov.in>)

Webcast Update

Webcast Update¹

S. No.	Date	Topic	Link
Committee on International Taxation			
1.	28 th July, 2017 (Friday)	"Safe Harbour Rules"	http://estv.in/icai/28072017/
2.	28 th September, 2017 (Thursday)	"Report under section 92E of the Income tax Act, 1961- Practical issues and challenges"	http://estv.in/icai/28092017/
Board of Studies			
3.	October 14, 2017	Representing before Income Tax Authorities and Appellate Tribunal	http://estv.in/icai/14102017/
Indirect taxes Committee			
4.	23 rd October, 2017	Unresolved issues in GSTR 3B, GSTR 1 & 2 and related challenges under GST	http://estv.in/icai/23102017/Bangalore/ https://youtu.be/Jr87DrX-jn0
Ethical Standards Board			
5.	13.07.2017	Proposed Revisions in the IESBA Code of Ethics	http://estv.in/icai/03112017

¹ Update for the information and use of the readers of *The Chartered Accountant* journal.