

Thinking Beyond

The Academy's Monthly Newsletter



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February 2023



Hiregange Academy

**A Division of Empower Education Foundation (Regd.)
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Vouchers – GST Implication



CA Roopa Nayak



CA Mayank A Jain

Background

With the increasing trend of electronic commerce, the use of prepaid vouchers and gift cards has increased exponentially not only in B2C transactions but also in B2B transactions. Vouchers are instruments

which are redeemable on its face value against supply of goods or services. For example, multi-brand retailers supply gift cards to its customers which can be redeemed against purchase of merchandise of their brand of value equal to the face value as printed on such gift card.

In the erstwhile indirect taxation regime, there was confusion on taxability of vouchers under VAT/Service tax law. In case of Sodexo Coupons – 2015-TIOL-293-SC-MISC Hon'ble Supreme Court has overruled the judgment of Bombay High Court which had classified the coupons under the domain of goods inviting VAT and Local body tax (LBT). [Read more](#)

Analysis of Indirect tax updates in Finance Bill 2023

CHANGES IN CGST ACT, 2017

- Composition taxpayers are permitted to make intra-state supplies of goods through E-commerce operators
- Alignment of ITC reversal to the return filing system
- Value of exempt supply for the apportionment of the common input tax credit to include supply of warehoused goods before clearance for home consumption
- ITC restricted on goods and services in relation to CSR activities
- Clarity provided for exemption from registration
- Time limit for filing GSTR-1
- Time Limit for GSTR-3B
- Time Limit for GSTR 9
- Time Limit for GSTR-8
- Correction in provisional refund for exporters
- Powers provided for computing the interest in delay in refund
- Penalty proposed for e-commerce operators
- Changes in prosecution provisions
- Changes in Compounding of offences
- Power of government to share the information of the taxpayer
- Retrospective applicability of changes made in Schedule III of CGST Act on 1.2.2019

CHANGES IN IGST ACT, 2017

- Change in the definition of “non-taxable online recipient” and “online information and database access or retrieval services.”
- Amendment in place of supply for transportation of goods outside India

CHANGES IN CUSTOMS ACT, 1962

- Time limit for Customs Exemption not applicable for certain cases
- Time limit specified for issuance of Order by Settlement Commission

CHANGES IN CUSTOMS TARIFF ACT, 1975

- Retrospective amendment to clarify the wordings “determination” and “review”
- Prospective amendment to the First schedule to the Customs Tariff Act, 1975
- Changes in Customs Duty rates
- Changes in time limit for certain exemptions
- Miscellaneous proposed rate changes
- Changes related to Central Excise [Read more](#)

Legal Updates – January 2023

- Mismatched/unmatched ITC shall not be denied if final payment by the supplier to the Government is proved and benefit of Circular No. 183 shall apply for FY 2019- 20 also.
- Extension of time limit for issuance of order under Section 73(10) also applies to issuance of Show Cause Notice under 73(10) for the FY 2017-18.
- GST Officer cannot cancel registration through “Cryptic” Show Cause Notice without giving any opportunity of being heard
- Services received by SEZ unit from Developer are not leviable to GST under Reverse Charge.
- GST Officer cannot impose a condition to deposit any sum of money while granting bail
- Manual Filing of refund of tax paid inadvertently
- Refund of ITC of VAT instead of carrying forward to GST regime
- Single refund application to be filed for each GSTIN, supplementary claim not permitted.
- Refund of Service Tax when services were not provided.
- Maintainability of offline appeal filed against Summary Order. [Read more](#)

GST Portal Update

Sl. No	Functionality	Particulars
1	<u>Introduction of Negative Values in Table 4 of GSTR-3B</u>	Assessees may now report negative values in Table 4A if impact of credit notes and amendments exceeds sum of invoices and debit notes
2	<u>Advisory on Geocoding of Address of Principal Place of Business</u>	The functionality for geocoding the principal place of business address is available on the portal to ensure the accuracy of address details in GSTN records and streamline the address location and verification process.
3	<u>Advisory on New e-Invoice Portal</u>	GSTN has onboarded four new IRPs (Invoice Reporting Portals) for reporting e-invoices in addition to NIC-IRP
4	<u>Advisory on opting for payment of tax under the forward charge mechanism by a GTA</u>	An option is provided on the portal to all the existing GTAs, to opt for paying tax under forward charge mechanism by filing Annexure V



Customs	
Circulars	
Instruction No. and Date of issue	Subject
05/2023-Customs, Dated- 21-02-2023	Amendment in Circular No. 26/2016-Customs dated 09.06.2016-reg. Summary: In order to ensure that the task is completed in time bound manner, inserted the following sentence in the said circular at the end of the Para 4.1 as “ <i>the antecedent verification must be completed with in 45 days from receipt of the application</i> ”. Read more:
04/2023-Customs, Dated- 21-02-2023	Amendment in Circular No. 25/2016-Customs dated 08.06.2016 for including details of Ex-bond Bill of Entry/Shipping Bill in Form A -reg. Summary: Amended the “FORM A” prescribed under Circular No 25/2016-Customs regarding maintenance of the record in relation to warehouse goods for the purpose of capturing the details related to receipts, handling, storage and removal. Read More:
03/2023-Customs, Dated- 07-02-2023	Amendment in Circular No. 29/2020-Customs dated 22.06.2020 for allowing transshipment of Bangladesh export cargo to third countries through Delhi Air Cargo notifications related thereto with reference to appointment of officers of customs and assignment of functions - reg. Summary: for better cargo evacuation and improved logistics efficiency for permitting transshipment by amending Circular 29/2020-Customs by inserting a new paragraph, i.e., Para 3A, after sub-paragraph 3.2 of the said Circular. Read More:

Customs	
Instructions/Guidelines	
Instruction No. and Date of issue	Subject
Instruction No. 07/2023- Customs, Dated- 28-02-2023	Completion of Data Entry in DIGIT for uploading on CBIC website under Instructions section. Read more:
Instruction No 06/2023- Customs, Dated- 13-02-2023	Instruction regarding Compliance of Bureau of Indian Standards (BIS) standards for toys or parts of toys during import - reg. Read more:
Instruction No 05/2023, Dated- 08-02-2023	Instruction regarding Import of High-risk food products at specific ports - reg. Summary: In order to implement FSSAI order, modify the restriction prescribed under instruction no 31/2022 dated 14/11/2022. Read More:

Congratulations CA Vineey Patni



CA Vineey Patni, Partner Designate of Hiregange & Associates LLP has brought honour to the firm by receiving **felicitation** for extending **exceptional support to Indore Branch of ICAI** during the FY 2022-23 in Annual function held at Indore Branch of ICAI.

Upcoming Activities

www.hiregangeacademy.com

FA Hiregange Academy

GST Procedures Series

AVAILING INPUT TAX CREDIT

3 days exhaustive online course on procedure in GST

SPEAKERS



CA Roopa Nayak



CA Mayank A Jain



CA Darshan Jain



CA S Thulasiram

13, 14 & 15 March 2023

11am to 1pm (2 Hours)

Course Fees:
₹1,750 incl. of taxes:

Course Coverage

- Introduction to ITC, Eligibility, Restrictions
- GSTR 2A v/s GSTR 2B
- Legal issues with respect to Input Tax Credit

Register Now

To register, please fill the registration form

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FOR ANY QUERIES

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GST Procedures Series

AVAILING INPUT TAX CREDIT

3 days exhaustive online course on procedure in GST set to happen on **13th, 14th and 15th March 2023.**

Course Coverage:

- Introduction to ITC, Eligibility, Restrictions
- GSTR 2A v/s GSTR 2B
- Legal issues with respect to Input Tax Credit

For registration [click here](#)

Online training on CAPITAL GAINS

Date: **14 March, 2023** - Tuesday

Coverage:

- Capital assets
- Cost of acquisition, holding period, capital gains tax
- Specific coverage - capital gains from sale of mutual funds, shares and house property
- Exemptions from capital gains
- Capital gains computation methods by businesses
- Impact of proposed budget

For Registration [Click here](#)

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FINZCURVE

www.finzcurve.com

Online Training on

CAPITAL GAINS

14 MARCH, 2023 TUESDAY

2pm to 6pm

Registration Fees: **₹1000 plus taxes**

Online Platform: Cisco Webex

Trainer



Ms. Sonali Deb Nath (CA, LLB)
Co-founder and Partner
Finzcurve Ventures

Coverage:

- Capital assets
- Cost of acquisition, holding period, capital gains tax
- Specific coverage - capital gains from sale of mutual funds, shares and house property
- Exemptions from capital gains
- Capital gains computation methods by businesses
- Impact of proposed budget

For Registration Scan QR Code



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NUMBER OF SEATS - 75 ONLY

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For more information on training programs conducted by us,
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or you may reach us via email (given below)/ring us up at
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