

Important Income Tax Alert

For Businesses with Sales/Turnover/Receipt above Rs. 50 Crores

- ✚ With effect from 1st January'2020, every person, carrying on business, if his total sales/turnover/gross receipts, in business exceeds Rs. 50 Crores during the last financial year shall mandatorily provide facilities for accepting payments through following electronic modes:
 1. Debit Card powered by RuPay;
 2. Unified Payments Interface (UPI) (BHIM-UPI); and
 3. Unified Payments Interface Quick Response Code (UPI QR Code) (BHIM-UPI QR Code).

- ✚ If fails to do so by 31st January'2020, a penalty of Rs. 5,000/- per day from 1st February'2020 will be applicable u/s 271DB of the Income Tax Act.

- ✚ No Bank or system provider are allowed to impose any charge including MDR (Merchant Discount Rate) on payment made through above mentioned electronic modes on or after 1st January'2020.

Reference: Notification No. 105/2019 & Circular No. 32/2019 dated 30th December'2019.