

In brief

The due date for linking the PAN & AADHAR has been extended to 30th June, 2021



1. Extension for Linking of Aadhar & PAN
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Extension for Linkage of AADHAR & PAN

Under the Income-tax provisions, it is now mandatory to link the AADHAR number with the PAN, for every person eligible to obtain an AADHAR number. The date for linkage of PAN & AADHAR number has been yet again extended by the Government. It is understood that there are still several individuals facing challenges in rectifying details in AADHAR & PAN. The purpose of extension is to provide relief to those individuals who were unable to link the same on account of errors or mismatches in both the documents.

The date for linking the AADHAR with the PAN has now been extended to 30th June 2021.

In case the taxpayer is unable to link the PAN with AADHAR by the deadline, in addition to the PAN becoming inoperative, a penalty of Rs. 1,000 shall also be levied, under section 234H, introduced by the Finance Act, 2021.

In brief

Concession for various TDS / TCS was up to 31st March 2021. The original TDS / TCS rates are applicable w.e.f. 1st April, 2021

CBDT issues instructions for issuance of notices u/s 149 for non-PAN cases

TDS Rates w.e.f 01.04.21

As a part of relief measures announced due the Covid-19 pandemic, the TDS / TCS rates were reduced by 25% in respect of tax collected or deducted between 14th May 2020 - 31st March 2021.

W.e.f. 1st April, the original rates of TDS / TCS have become applicable, as there is no extension in the period for which the lower rates were applicable.

Instructions on handling of Non-PAN cases flagged by Directorate of Income-tax

The Central Board of Direct Taxes (CBDT) with an objective of streamlining the process for selection of cases for reopening of assessments u/s 148 of Income-tax Act has identified certain cases as “potential cases”, which apart from cases having audit objections etc., also include cases from Non-Filer Management System (NMS) & other cases as flagged by the Directorate of Income-tax (Systems) as per risk profiling. Against this background, the CBDT has issued instructions for issue of notices for reopening u/s 148 in respect of Non-PAN cases flagged by the Directorate of Income-tax (Systems). Under these instructions:

- if the case is fit for issue of notice u/s 148 of the Act, such notice can be issued **manually without DIN** by invoking exceptional clause;
- Immediately after the issue of notice u/s 148 of the Act, the Jurisdictional Assessing Officer shall collect the basic parameters needed for allotment of PAN from the assessee, reporting entities or any other sources. Further, he shall take up the matter with Directorate of Income-tax (Systems) for allotment of PAN.

In brief

Rules for computation of taxable perquisite in accordance with amendment of Finance Act 2020, notified

Amendment to Income-tax Rules related to taxability of provident fund contribution

The Finance Act 2020 made employer's contribution to Provident Fund in excess of Rs. 7,50,000 and interest thereon taxable.

The Income-tax Rules have now been amended effective from 1st April 2021 and Rule 3B has been inserted to compute the taxable amount in line with the amendment. Accordingly, compliance with TDS provisions as regards the taxable perquisite will have to be ensured.

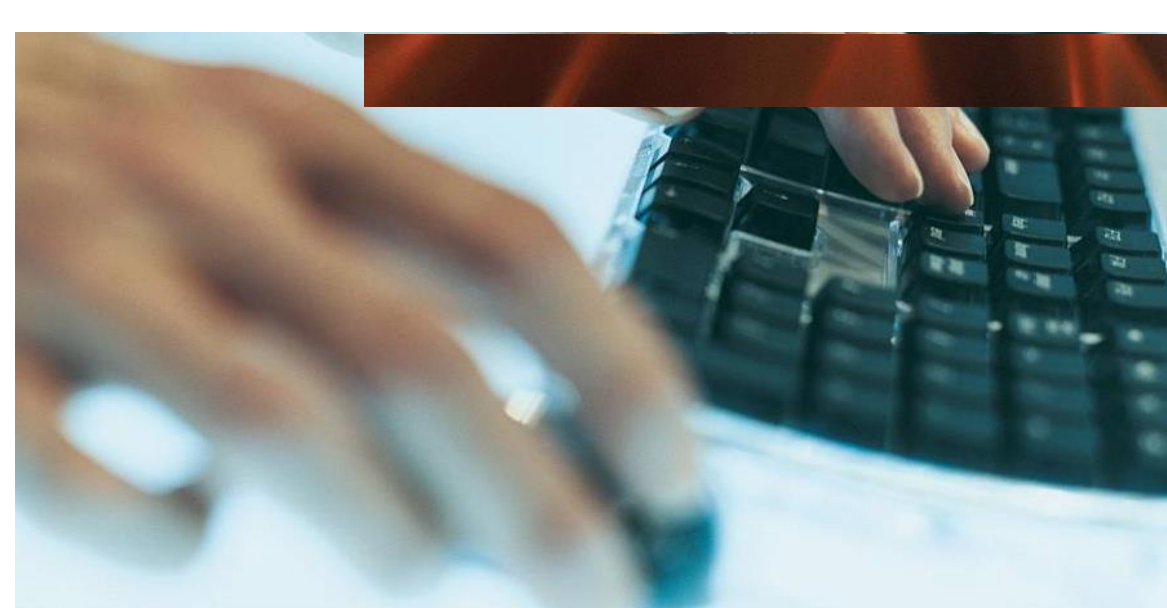
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Changes in procedure for registration of charitable trusts

Charitable & religious organizations (trust/institutions) once registered under section 12A/12AA and those granted approval under section 80G of the Income-tax Act, 1961 were till date not required to apply for re-registration. The registration was permanent unless cancelled.

With effect from 1st April 2021, these trusts/institutions need to apply for renewal of their registration so as to continue to enjoy the exemption granted to them under the Act. These provisions were introduced by the Finance Act 2020 w.e.f. 1st June 2020. However, due to COVID-19 pandemic, their applicability was postponed and now these are effective from 1st April 2021.

For detailed flash covering all the changes [Read more](#)



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Key Take Away

- Due Date for linkage of PAN & AADHAR extended to 30th June 2021.
- Rules for computation of taxable perquisite for PF contribution and interest thereon notified.
- Procedure for renewal of registration for trusts / charitable institutions to be effective from 1st April 2021.

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