

# VOICE OF CA Executive Summary of Finance Bill, 2022 - Direct Taxes (\*\*)

## Chapter B of Memorandum

Clause(S) Of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
38,39,41,48,64, 65 & 81	<b>Amendment to Section 139</b>	139(8A)	Insertion of New Sub Section	WEF 01.04.2022  AY. 2022-23	<p>(i) <b><u>Any person</u></b> can file an updated return of income in the prescribed form and manner, whether he has filed a return u/s 139(1)/(4)/(5) previously for the relevant A.Y. or not</p> <p>(ii) <b><u>Payment of Additional Tax:</u></b> 25%/50%</p> <p>(iii) <b><u>Payment of Interest on Tax Above</u></b></p> <p>(iv) <b><u>Outer Time-Limit for filing ITR:</u></b> within 24 months from the end of the A.Y.</p> <p>(v) <b><u>This Section shall not appl, if the return updated</u></b></p> <p>(a) is a return of loss</p> <p>(b) has the effect of decreasing the total tax liability determined on the basis of return furnished u/s 139(1)/(4)/(5)</p> <p>(c) results in refund/increases the refund due on the basis of return furnished u/s 139(1)/(4)/(5)</p> <p>(vi) <b><u>Ineligible person (applicable for the relevant A.Y. and two preceding A.Y.s):</u></b></p> <p>(a) If search initiated u/s 132/ books of accounts/documents/assets requisitioned u/s 132A</p> <p>(b) Survey conducted u/s 133A other than S.S. (2A)</p> <p>(c) a notice has been issued to the</p>

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					<p>effect that any money, bullion, jewelry, valuable article or thing/ books of account or documents/information seized or requisitioned u/s 132/ 132A in the case of any other person belongs/pertains/relate to such person.</p> <p>(vii) <b><u>No updated return if :</u></b></p> <p>(a) Updated return furnished u/s 139(8A)</p> <p>(b) Proceedings for asst/ re-asst/ re-computation/revision is pending/ completed</p> <p>(c) Assessing Officer has information regarding the person under certain Acts and same communicated to him prior to the date of filing under this section</p> <p>(d) Information recd u/s 90/90A and same communicated to him prior to the date of filing under this section</p> <p>(e) Person notified by Board</p>
38,39,41,48,64,65 & 81	<b>Amendment to Section 139</b>	139(9)	Amendment to Sub Section	WEF 01.04.2022  AY. 2022-23	<p><b><u>a return filed under the Section 139(8A) shall be defective unless</u></b> such return is accompanied by the</p> <p>- proof of payment of tax as required under the proposed section 140B.</p>

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38,39,41,48,64,65 & 81	Insertion of Section 140B	140B	Insertion of New Section	WEF 01.04.2022  AY. 2022-23	<p><b><u>Payment of Tax, Interest, Fees before filing Return u/s 139(8A) and Proof of Payment with Return:</u></b></p> <p>(i) <b><u>where no return furnished earlier:</u></b> - pay tax due, interest, fees, additional tax</p> <p>(ii) <b><u>where return furnished u/s 139(1)/(4)/(5):</u></b> - pay tax due, interest, fees, additional tax <b>MINUS</b> interest paid</p> <p><b><u>Rates of Additional Tax:</u></b></p> <p><b><u>25% of aggregate tax and intt :</u></b> 139(4)/(5) expiry time&lt; filed &lt; 12 Months from A.Y.</p> <p><b><u>50% of aggregate tax and intt :</u></b> 12 Months from A.Y.&lt; filed &lt; 24 Months from A.Y.</p> <p><i>P.S.: for the purposes of computation of “additional income-tax”, tax shall include surcharge and cess.</i></p> <p><u>P.S.: Consequential Amendments to S. 144, 153, 234A, 234B, 276CC</u></p>
51, 52	Insertion of Section 158AB	158AB	Insertion of Section	WEF 01.04.2022  AY. 2022-23	<p>(A) - where the collegium is <b><i>of the opinion</i></b> that any question of law arising in the case of an assessee for any A.Y. is identical with a question of law already raised in his case/ in the case of any other assessee for an A.Y., in</p>

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					<p>favour of such assessee</p> <ul style="list-style-type: none"> <li>- which is pending u/s 260A/261/SLP under Article 136 of the Constitution.</li> <li>- <b><u>it may, decide and intimate the Commissioner/ Principal Commissioner not to file any appeal, at this stage, to the Appellate Tribunal u/s 253(2)/260A(2)</u></b></li> </ul> <p>(B) Further, the Commissioner/ Pr. Commissioner shall direct the A.O.</p> <ul style="list-style-type: none"> <li>- to make an application to the Appellate Tribunal/jurisdictional High Court</li> <li>- in the prescribed form</li> <li>- within 60 days /120 days from the date of receipt of the order of the Appellate Tribunal</li> <li>- stating that an appeal on the question of law arising in the relevant case <u>may be filed when</u> the decision on the question of law becomes final in the other case</li> <li>- <u>Subject to acceptance from the assessee to the effect that the question of law in the other case is identical to that arising in the relevant case, otherwise shall proceed as per S. 253(2)/ 260A(2)</u></li> </ul> <p><b>P.S:</b> <i>“collegium” shall comprise of two or more CCIT/PCIT/CIT</i></p>

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51, 52	Insertion of Sunset Clause	158AA (1)	Insertion of Sunset Clause	WEF 01.04.2022  AY. 2022-23	no direction shall be given under the said sub-section on or after 1st April, 2022. <b>[Note :</b> this amendment is being made in view of newly inserted section 158BA]
67	Amendment to Section 245MA	245MA	Insertion of Sub-Section	WEF 01.04.2022  AY. 2022-23	<ul style="list-style-type: none"> <li>- to <b><i>Enable the Assessing Officer</i></b> to pass an order giving effect to the resolution of dispute by the DRC.</li> <li>- <b><i>Taxpayer may opt</i></b> for approaching <b><i>either</i></b> the Dispute Resolution Panel u/s 144C of the Act <b><i>or</i></b> the DRC u/s 245MA of the Act, and</li> <li>- the AO shall pass the final order in conformity with the order by the DRC even in the case of an eligible assessee.</li> </ul>
13	Amendment to Section 40	40(a)(ii)	Insertion of Explanation	Retrospective WEF 01.04.2005  AY. 2005-06 onwards	<ul style="list-style-type: none"> <li>- <b><i>For the purposes of this sub-clause,</i></b></li> <li>- the term “tax” <b><i>includes</i></b> and shall be <b><i>deemed to have always included</i></b></li> <li>- any surcharge or Cess, by whatever name called, on such tax.</li> </ul> <p>This amendment seeks to nullify, some judgments, notably in favour of the assessee by the decision of the <b><u>Hon’ble Rajasthan High Court</u></b> in case of CIT vs Chambal fertilizers and chemicals Ltd (ITA number 52 of 2018 dated 31 July 2018 as well as of the decision of the <b><u>Hon’ble Bombay High Court</u></b> in case of Seas Goa Ltd in tax appeal number 17 and 18 of 2013 dated 28th of February 2020.</p>

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50,53, 54	Insertion of Section 170(2A)	170(2A)	Insertion of Sub-Section	WEF 01.04.2022  AY. 2022-23	to provide that - the assessment/other proceedings pending/completed on the predecessor - in the event of a business reorganization, - <b><u>shall be deemed to have been made on the successor and not the predecessor</u></b>
50,53, 54	Insertion of Section 170A	170A	Insertion of Section	WEF 01.04.2022  AY. 2022-23	- to enable for the entities going through such business reorganization, - for <b><u>filing of modified returns</u></b> for the period - <b><u>between the date</u></b> of effectivity of the order <b><u>and the date</u></b> of issuance of final order of the competent authority.  Judgment of Hon'ble Supreme Court dated 02.11.2017 passed in C.I.T., New Delhi Vs. M/s. Spice Entertainment Ltd & in the case of Pr. CIT vs Maruti Suzuki India Limited dated 25/07/2019 nullified.
50,53, 54	Insertion of Section 156A	156A	Insertion of Section	WEF 01.04.2022  AY. 2022-23	to give effect to the orders of the competent authority and to modify such demands in accordance with such directions.
9	Insertion of Explanation to Section 14A	14A	Insertion of Explanation	WEF 01.04.2022  AY. 2022-23	Presently, some of the Courts have held that no disallowance under Section 14A of the Act could be made in the absence of any exempt income. Accordingly, these judgments are sought to be nullified by the revenue by way of insertion of an explanation which provides that

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					<p>notwithstanding anything to the contrary contained in this Act,</p> <p>- the provisions of this section <b><i>shall apply and shall be deemed to have always applied</i></b></p> <p>- in a case where exempt income has not accrued/arisen/has not been received during the P.Y. relevant to an A.Y. <b><i>AND</i></b></p> <p>- the expenditure has been incurred during the said previous year in relation to such exempt income.</p> <p>The <b><i>following notable judgments have been nullified</i></b> :</p> <ul style="list-style-type: none"> <li>○ PCIT-3 vs. Ballarpur Industries Limited (Bombay High Court Income Tax Appeal No. 51 of 2016)</li> <li>○ Cheminvest Ltd. v. CIT (61 taxmann.com 118) Delhi High Court</li> <li>○ CIT vs. Chetnad Logistics (P.) Ltd. [2017] 80 taxmann.com 221 (Madras/ [2017] 248 Taxmann 55 (Madras)</li> <li>○ PCIT vs. IL&amp;FS Energy Development Company Ltd. ([2017] 84 taxmann.com 186 (Delhi))</li> <li>○ Hon'ble Punjab &amp; Haryana High Court in the case of CIT vs. Winsome Textile Industries Ltd. reported at (2009) 319 ITR 204(P&amp;H)</li> </ul>

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					<ul style="list-style-type: none"> <li>○ The Hon'ble Supreme Court in April 2019 dismissed the Revenue's Special Leave Petition (SLP) in case of Cheminvest Ltd. v. CIT [2015] 378 ITR 33 (Delhi HC), against the decision of the Delhi High Court holding that no question of law arose from the order of the Income-tax Appellate Tribunal (Tribunal), thereby deleting the disallowance under section 14A of the Income-tax Act, 1961 (Act), in the absence of any exempt income during the year.</li> <li>○ In 2018, the Hon'ble Supreme Court had previously dismissed SLP in case of CIT vs. Chettinad Logistics (P.) Ltd filed by the Revenue and thus, deleting the disallowance of expense under section 14A of the Act in the absence of exempt income.</li> </ul>

**ADD: Clauses 12, 14, 60 & 62 also**

Case law on Clause 14 (Memo page no.40 nullified]

M.M. Aqua Technologies Ltd vs. CIT [SLP (Civil) Nos. 35883-35884 of 2016 dated 11/08/2021]



**Chapters D & E of Memorandum**

Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
57	<b>Amendment to Section 194-IB</b>	194-IB(4)	Amendment	WEF 01.04.2022  AY. 2022-23	<p>The reference to section 206AB have been omitted in sub section (4) to section 194-IB, meaning there by where the tax is required to be deducted as the provision of section 206AA such deduction shall not exceed the amount rent payable for the last month of the previous year/ last month of the tenancy, as the case may be.</p> <p>In the nutshell there is no requirement to deduct tax :</p> <p>(i) at twice the rate specified in the relevant provision of the Act; or</p> <p>(ii) at twice the rate or rates in force; or</p> <p>(iii) at the rate of five per cent.</p>

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61	<b>Amendment to section 206AB</b>	206 AB	Amendment	WEF 01.04.2022  AY. 2022-23	<p><i>Presently, as per Sec 206AB(1) of the Act, no TDS at higher rate is required to be deducted wrt cases referred under Sections <a href="#">192</a>, <a href="#">192A</a>, <a href="#">194B</a>, <a href="#">194BB</a>, <a href="#">194LBC</a> or <a href="#">194N</a>.</i></p> <p>As per <b>proposed amendment</b>, Sections 194-IA, 194-IB and 194M have also been included in the list of sections for which higher TDS would not be required.</p> <p>Further, as Per Section 206AB(3) , the rate of TDS/TCS shall be at the double of the normal rate or double the rate in force or at the rate of 5%, whichever is higher for all the payments to be made to the vendors <b>who has not filed Income Tax Return for the immediately two previous years</b> and total tax Deducted (TDS) and tax Collected (TCS) for each year was Rs. 50000 or more.</p> <p>The definition of 'specified person' has been proposed to refer to the non-filing of ITR for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted. This limit was earlier for 2 preceding previous years.</p>
63	<b>Amendment to section 206CCA</b>	206CCA	Amendment	WEF 01.04.2022  AY. 2022-23	<p>AS per proposed amendment the reference to expression "<i>hereafter referred to as collectee</i>" as per Section 206CCA(1) has been omitted;</p> <p>Further, as per <b>Section 206CCA(3)</b>, The definition</p>

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					of 'specified person' has been proposed to refer to the non-filing of ITR for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted. This limit was earlier for 2 preceding previous.
56	<b>Amendment to section 194-IA.</b>	<b>194-IA</b>	Amendment	WEF 01.04.2022  AY. 2022-23	It is proposed that the TDS at the rate of 1 % deducted by the buyer on the stamp duty value (value adopted or assessed or assessable by any authority of the central government or a state government for the purpose of payment of stamp duty in respect of immovable property) <b><i>OR</i></b> actual sales consideration <b><i>which ever is higher</i></b> in case of transfer of immovable property.
58	Insertion of new section 194R	194R	Newly Inserted	WEF 01.07.2022  AY. 2022-23	<p>Deduction of TDS wrt benefit or perquisite conferred on other person during the course of business or profession</p> <p>As per clause (iv) of section 28 of the Act, the value of any benefit or perquisite, whether convertible into money or not, arising from business or exercise of profession is to be charged as business income in the hands of the recipient of such benefit or perquisite. On the scope of this section, there is a judgment of the Hon'ble Madras High Court in the case Boeing vs. CIT [250 ITR 667].</p> <p>However, the assessee were not offering the value of benefit in their ITR. So in order to</p>

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					<p>capture the details and to bring to tax, the corresponding value of benefit or perquisite would be subjected to tds @ 10% of the corresponding value. However, no TDS is required for and wrt value of benefits not exceeding Rs. 20,000/-.</p> <p>Further, in a case where the benefit or perquisite, as the case may be, is wholly in kind or partly in cash and partly in kind but such part in cash is not sufficient to meet the liability of deduction of tax in respect of whole of such benefit or perquisite, the person responsible for providing such benefit of perquisite shall, before releasing the benefit or perquisite, ensure that tax has been paid in respect of the benefit or perquisite.</p>
84	Substitution of new section for section 285B	285 B	Substituted	WEF 01.04.2022  AY. 2022-23	<p>Under section 285B, the producer of cinematographic films is obliged to furnish within 30 days from the end of the financial year or from the date of completion of the film, whichever is earlier, a statement containing particulars of all payments over Rs. 50,000/- in the aggregate made by him or due from him to each person engaged by him.</p> <p>It is proposed to widen the scope of section 285B to include persons engaged in specified activities to expand the reporting requirements in Form 52A. "Specified Activities" would mean event management, documentary production,</p>

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					<p>production of programs for telecasting on television or over the top platforms or any other similar platform, sports event management, other performing arts or any other activity as the Central Government may, by notification in the Official Gazette, specify in this behalf.</p>
25	Amendment to section 94 (7) & 94(8)	94	Amendment	WEF 01.04.2023  AY. 2023-24	<p>The <b>current provisions</b> of sub-section (8) of section 94 of the Act do not apply to bonus stripping undertaken in case of securities. It is also not applicable to units of Infrastructure Investment Trust (InvIT) or Real Estate Investment Trust (REIT) or Alternative Investment Funds (AIFs) as the definition of the term "unit" has not been modified subsequent to introduction of provisions relating to RETIs, InvITs etc. Further, the current provisions of sub-section (7) of section 94 of the Act, i.e. provisions pertaining to dividend stripping, are not applicable to the units of new pooled investment vehicles such as InvIT or REIT or AIFs.</p> <p>It is proposed to amend 94(8), pertaining to the prevention of tax evasion through bonus stripping, so as to make the said provision applicable to securities as well. Similarly, Section 94(7) pertaining to dividend stripping has been enlarged by amending the definition of unit as provided under Explanation to the said section so as to include units of business trusts such as InvIT, REIT and AIF.</p>

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3	Amendment of section 2.	2 (47A)	Newly Inserted	WEF 01-04-2022  AY. 2023-24	<p><b>The expression “virtual digital asset” has been defined as under:</b></p> <p>(a) any information or code or number or token (not being Indian currency or foreign currency), generated through cryptographic means or otherwise, by whatever name called, providing a digital representation of value exchanged with or without consideration, with the promise or representation of having inherent value, or functions as a store of value or a unit of account including its use in any financial transaction or investment, but not limited to investment scheme; and can be transferred, stored or traded electronically;</p> <p>(b) a non-fungible token or any other token of similar nature, by whatever name called;</p> <p>(c) any other digital asset, as the Central Government may, by notification in the Official Gazette specify:</p> <p>Provided that the Central Government may, by notification in the Official Gazette, exclude any digital asset from the definition of virtual digital asset subject to such conditions as may be specified therein.</p>

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16	Amendment of section 56.	56(2)(x)	Amendment	WEF 01-04-2023  AY. 2023-24	In order to provide for taxing the gifting of virtual digital assets, it is also proposed to amend Explanation to clause (x) of sub-section (2) of section 56 of the Act to <i>inter-alia</i> , provide that for the purpose of the said clause, the expression “ <b>property</b> ” shall have the meaning assigned to it in Explanation to clause (vii) and <b><u>shall include virtual digital asset.</u></b>
28	Insertion of new section 115BBH	115-BBH	Newly Inserted	WEF 01-04-2023  AY. 2023-24	<p><b><u>This section provides for taxation of income from virtual digital assets (VDA).</u></b></p> <p>The following are the salient features of the Scheme of taxation:</p> <p>(a) the amount of income-tax on the income from transfer of virtual digital asset shall be 30%.</p> <p>(b) no deduction in respect of any expenditure (other than cost of acquisition of (VDA) or allowance or set off of any loss shall be allowed to the assessee under any provision of this Act in computing the income referred to in clause (a) of sub-section (1); and</p> <p>(c) no set off of loss from transfer of the virtual digital asset computed under clause (a) of sub-section (1) shall be allowed against income computed under any other provision of this Act to the assessee and such loss shall not be allowed to be carried forward to succeeding</p>

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					<p>assessment years.</p> <p>The Act is completely silent on taxation of VDA received by way of Self-mining of these assets. Also, there is no distinction between capital asset or stock in trade of VDA which is contrary of Global practices. It is also not clear as to whether the VDA (other than CBDC) have been recognized as valid/legal or otherwise. Further, it is not clear as to whether VDA would be required to be declared in the ITR.</p>
59	Insertion of newsection 194S. (TDS on transfer of virtual digital asset)	194S	Newly Inserted	WEF 01-07-2022  AY. 2023-24	<p>As per Section 194S to provide for deduction of tax on payment for transfer of virtual digital asset to a resident at the rate of one per cent of such sum.</p> <p>However, in case the payment for such transfer is–</p> <p>(i) wholly in kind or in exchange of another virtual digital asset where there is no part in cash; or</p> <p>(ii) partly in cash and partly in kind but the part in cash is not sufficient to meet the liability of deduction of tax in respect of whole of such transfer,</p> <p>the person before making the payment shall ensure that the tax has been paid in respect of such consideration.</p>



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					<p>In case of specified persons, the provisions of section 203A and 206AB will not be applicable.</p> <p>Further, no tax is to be deducted in case the payer is the specified person and the value or the aggregate of such value of consideration to a resident is less than Rs. 50,000 during the financial year. In any other case, the said limit is proposed to be Rs. 10,000 during the financial year.</p>
27	Amendment of section 115BBD	115BBD	Amended Sun-set clause	WEF 01-04-2023  AY. 2023-24	<p>As per Section 115BBD, income by way of dividends declared, distributed or paid by a specified foreign company received by an Indian company are subjected to income tax @ 15%.</p> <p>The provisions of this section shall not apply to any assessment year beginning on or after the 1st day of April, 2023.</p>

### Chapters F & G of Memorandum

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17	<b>Amendment to Section 68</b>	68	Insertion of Proviso	WEF 01.04.2023 AY. 2023-24	<p>Prior to amendment, it is noticed that there is a pernicious practice of conversion of unaccounted money by crediting it to the books of assesses through a masquerade of loan or borrowing.</p> <p>Presently, the first proviso to Section 68 of the Act requires an assessee “Source of Source” in-case of credits in the nature of Share Capital, Share Premium, Share Application, etc. This amendment was brought in by FA 2012 wef AY 2013-14.</p> <p>Further, in case of <b>loan or borrowing</b>, the judicial decisions have held that <b>only identity and creditworthiness of creditor</b> and genuineness of transactions for explaining the credit in the books of account is sufficient, and the <b>onus does not extend to explaining the source of funds in the hands of the creditor</b></p> <p>It is proposed to amend the provisions of <b>section 68</b> of the Act so as to provide that the nature and source of any sum, whether in form of <b><i>loan or borrowing</i></b>, or any other liability credited in the books of an assessee shall be <b>treated as explained only if</b> the source of funds is also <b>explained in the hands of the creditor</b> or entry provider. However, this additional onus of proof of satisfactorily explaining the source in the</p>

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					hands of the creditor, <b>would not apply</b> if the creditor is a well-regulated entity, i.e., it is a <b>Venture Capital Fund, Venture Capital Company registered with SEBI.</b>
4	<b>Amendment to Section 10</b>	10	Withdrawal of Exemption	WEF 01.04.2023 AY 2023-24	<p>Prior to amendment, clauses (8), (8A), (8B) and (9) of section 10 of the act provides for exemptions in respect of certain incomes.</p> <p>It is proposed to amend clauses (8), (8A), (8B) and (9) of section 10 of the Act to provide that the provisions of the said clauses shall not apply to remuneration, fee or income of the previous year relevant to the assessment year beginning on or after the 1<sup>st</sup> day of April, 2023.</p> <p>Therefore, the exemptions as provided under the above-mentioned clauses are sought to be withdrawn and the normal provisions of taxation would apply wrt incomes referred under the said sub-sections.</p>
15	<b>Amendment to Section 50</b>	50	Insertion of Explanation	WEF 01.04.2021 AY 2021-22	<p>It is proposed to clarify that for the purposes of section 50 of the Act, <b><i>reduction of the amount of goodwill of a business or profession</i></b>, from the block of asset in accordance with sub item (B) of item (ii) of sub-clause (c) of clause (6) of section 43, shall be <b><i>deemed to be transfer.</i></b></p>

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37	<b>Amendment to Explanation to Section 133A</b>	133A	Substitution in Explanation	WEF 01.04.2022	<p>The present long line of the Explanation occurring after sub-section (6), in clause (a), reads as under :</p> <p><i>“who is subordinate to the Principal Director General of Income-tax (Investigation) or the Director General of Income-tax (Investigation) or the Principal Chief Commissioner of Income-tax (TDS) or the Chief Commissioner of Income-tax (TDS), as the case may be”</i></p> <p>It is proposed that instead of the above long line, following long line shall be substituted, namely:</p> <p><i>“who is subordinate to the Principal Director General or the Director General or the Principal Chief Commissioner or the Chief Commissioner, as may be specified by the Board”</i></p> <p><b><i>Evidently, the omission of the expression DGIT(Inv.) or CCIT(TDS) is amounting to conferring power to conduct Survey with officers other than officers of the investigation / TDS wing. The above amendment is in line with CBDT instructions dated 31.12.2021 and 19.10.2020.</i></b></p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
3	<b>Amendment to Section 2(42C)</b>	2(42C)	Definition of 'slump sale'	WEF 01.04.2021 AY 2021-22	<p><u>Prior to amendment</u>, "<b>slump sale</b>" means the transfer of one or more [undertaking, by any means,] for a lump sum consideration without values being assigned to the individual assets and liabilities in such sales.</p> <p><b>Vide the Finance Act, 2021</b>, the definition of "slump sale" was amended to expand its scope to cover all forms of transfer under slump sale. However, inadvertently, in the last sentence there is reference to the word "sales" instead of "transfer".</p> <p>Therefore, it is proposed to carry out <b>consequential amendment</b> by amending the provision of clause (42C) of section 2 of the Act, to <b>substitute the word "sales" with the word "transfer"</b>.</p>
34	<b>Amendment to Section 119</b>	119	Insertion of Section 234F	WEF 01.04.2022	<p>Presently the CBDT cannot issue orders to mitigate hardships wrt certain classes of persons in filing return of income given that the default is beyond the control of the Assessee.</p> <p>Accordingly, it is proposed to insert section 234F and include it in the list of sections mentioned in clause (a) of sub-section (2) of section 119 of the Act, so as to enable the Board to issue such orders or instructions, as deemed fit even wrt Section 234F of the Act.</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
19	<b>Insertion of New Section 79A</b>	79A	Newly Inserted Section 79A	WEF 01.04.2022 AY 2022-23	<p>The additional income detected during the course of search, requisition and survey is being set off by the assessee against their brought forward losses/unabsorbed depreciation. There is no clarity on this issue presently. Thus, even when there is detection of undisclosed income, it does not result in augmentation of tax revenue with the department.</p> <p>Therefore, it is proposed not to permit an assessee <b>claim/set off</b> of brought forward or current year losses or unabsorbed depreciation, <b><i>against undisclosed income</i></b> corresponding to difference in stock, undervaluation of stock, unaccounted cash payment etc. which is detected during the course of search or survey proceedings. This is therefore proposed to be restricted vide newly inserted section 79A of the Act.</p> <p>Further, the expression, "<b><i>undisclosed income</i></b>" is proposed to be defined only for the purpose of Section 79A of the Act.</p> <p>However, since the said expression has not been defined elsewhere (except erstwhile section 158B(b) of the Act, it is likely that this definition would be used, referred and relied upon in future.</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
24 43 70 71	Amendment to Section 92CA, 144C, 253 and 255	92CA 144C 253 255		WEF 01.04.2022 AY 2022-23	<p>In these sections, the hitherto provisions provided for faceless hearings. <b><u>The faceless hearing procedure is being deferred to following dates:</u></b></p> <p><b><u>Section 92CA</u></b> Faceless determination of Arm’s Length Price  <b>Present</b> date of issuing directions – 31.03.2022  <b>Proposed</b> date of issuing directions – 31.03.2024</p> <p><b><u>Section 144C</u></b> Faceless Dispute Resolution Panel  <b>Present</b> date of issuing directions – 31.03.2022  <b>Proposed</b> date of issuing directions – 31.03.2024</p> <p><b><u>Section 253</u></b> Faceless appeal to Appellate Tribunal  <b>Present</b> date of issuing directions – 31.03.2022  <b>Proposed</b> date of issuing directions – 31.03.2024</p> <p><b><u>Section 255</u></b> Faceless procedure of Appellate Tribunal  <b>Present</b> date of issuing directions – 31.03.2022  <b>Proposed</b> date of issuing directions –</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					31.03.2024
55	<b>Amendment</b>	179	Amended	01/04/2022	<p>The title of the section refers to the liability of directors of private company in liquidation even though the liability of the directors is not restricted to the fact of the company being in liquidation only.</p> <p>Accordingly, title of the section is modified to “Liability of directors of private company” and the expression tax due” in the section includes penalty, interest of any other sum payable under the Act. Also the expression fees is also proposed to be included in the definition of tax due.</p>
78	<b>Amendment</b>	272 A	Amended	01/04/2022	<p>The penalty for failure to answer questions sign statements, furnishing information, returns or statement, allow inspection etc is proposed to increase to five hundred rupees from the existing sum of one hundred rupees.</p>
73	<b>Amendment</b>	271AAB	Amended	01/04/2022	<p>It is proposed to amend sub-sections (1) and (1A) of the said section to extend the powers to levy penalty to Commissioner (Appeals).</p> <p>Also in explanation the word under section 153 are proposed to be substituted with letter under section 148 or under section 153A.</p>



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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
74	<b>Amendment</b>	271AAC	Amended	01/04/2022	It is proposed to amend sub-sections (1) and (1A) of the said section to extend the powers to levy penalty to Commissioner (Appeals).
75	<b>Amendment</b>	271AAD	Amended	01/04/2022	It is proposed to amend sub-sections (1) and (1A) of the said section to extend the powers to levy penalty to Commissioner (Appeals).
81	<b>Amendment</b>	276CC	Amended	01/04/2022	<p>The proviso to the section 276CC, inter alia, provides that a person shall not be proceeded against under the said section, for failure to furnish the return of income in due time, if a return is furnished by such person before the expiry of the assessment year or the tax payable by such person, not being a company, on the total income determined on regular assessment does not exceed rupees ten thousand.</p> <p>It is also proposed to amend sub-clause (a) of clause (ii) of the said proviso to provide that a person shall not be proceeded against under the said section for failure to furnish in due time the return of income under sub-section (1) of section 139, if such a person has furnished return under sub-section (8A) of section 139 for the relevant assessment year.</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
82	<b>Amendment</b>	278A	Amended	01/04/2022	It is proposed to punish upon the failure to pay the TCS for second and subsequent offences with rigorous imprisonment for a term which shall not be less than six months but which may extend to seven years and with fine.
77	<b>Amendment</b>	271C	Amended	01/04/2022	To give consequential effect, it is proposed to omit the word "second" in sub-clause (ii) of clause (b) of sub-section (1) of the section.  As the section 194B has only one proviso now.
79	<b>Amendment</b>	276AB	Amended	01/04/2022	It is proposed to insert a second proviso to the said section so as to provide that no proceeding under this section shall be initiated on or after the 1st day of April, 2022.
80	<b>Amendment</b>	276B	Amended	01/04/2022	To give consequential effect, it is proposed to omit the word "second" in sub-clause (ii) of clause (b) of sub-section (1) of the section.  As the section 194B has only one proviso now.
83	<b>Amendment</b>	278AA	Amended	01/04/2022	No penalty for failure to pay the TCS if persons proof their was a reasonable cause for such failure to pay the TCS.
66 68	<b>Insertion of New Section 239A, Amendment to Section 246A,</b>	239A 246A	Newly inserted Section 239A Amendment to sections 246A	WEF 01.04.2022	To obtain a refund of the tax deducted and paid by a person, where it was not deductible, as per the provisions of section 248 of the Act, a taxpayer has no recourse to

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
69	<b>Amendment to Section 248</b>	248	and Section 248		<p>approach the Assessing Officer with such request.</p> <p>In view of the above, it is proposed that a <b>new section 239A</b> may be inserted in the Act to provide that such a person, who has made the deduction of tax under such an agreement or arrangement and borne the tax liability, when no tax deduction was required, may file an application for refund of such tax deducted before the Assessing Officer.</p> <p><b><u>Time period to file an application</u></b></p> <ul style="list-style-type: none"> <li>- within a period of <b>thirty days</b> from the date of payment of such tax</li> </ul> <p><b><u>Time period to pass an order</u></b></p> <ul style="list-style-type: none"> <li>- within <b>six months</b> from the end of the month in which application is received.</li> </ul> <p>Such person can, if he is not satisfied with the order of the Assessing Officer, go into appeal against such order before the Commissioner (Appeals), <b>under section 246A</b> of the Act.</p> <p>Accordingly, the provisions of <b>section 248</b> of the Act <b>will not apply</b> in cases where the date of tax payment, to the credit of Central Government is on or after 01.04.2022.</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment

Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
4	<b>Amendment of tenth proviso to Section 10(23C)</b>	10(23C)	Amendment	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>In case of any trust or institution covered under the Section 10(23C) of the Act, it is required to get its accounts audited under existing provisions if its Total Income exceeds the maximum amount which is not chargeable to income-tax without giving effect to provisions of Section 10(23C) of the Act. However, there is no specific provision under the Act providing for the books of accounts to be maintained by such trusts or institutions. Accordingly, the existing tenth proviso to Section 10(23C) of the Act shall be substituted as under:</p> <p>"Provided also that where the total income of the fund or institution or trust or any university or other educational institution or</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via), without giving effect to the provisions of the said sub- clauses, exceeds the maximum amount which is not chargeable to tax in any previous year, such fund or institution or trust or any university or other educational institution or any hospital or other medical institution shall—</p> <p style="padding-left: 40px;">(a) keep and maintain books of account and other documents in such form and manner and at such place, as may be prescribed; and</p> <p style="padding-left: 40px;">(b) get its accounts audited in respect of that year by an accountant as defined in the <i>Explanation</i> below sub-section (2) of section 288 before the specified date referred to in section 44AB and furnish by that date, the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as maybe prescribed:”</p>
6	<b>Amendment of Clause (b) of Section 12A(1)</b>	12A(1)	Amendment	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment	In case of any trust or institution covered under the Section 11 and Section 12 of the Act, it is required to get its accounts audited under existing provisions if its Total Income exceeds the maximum amount which is not

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
				Years	<p>chargeable to income-tax without giving effect to provisions of Section 11 and Section 12 of the Act. However, there is no specific provision under the Act providing for the books of accounts to be maintained by such trusts or institutions. Accordingly, the existing Clause (b) of Section 12A(1) of the Act shall be substituted as under:</p> <p>"(b) where the total income of the trust or institution as computed under this Act without giving effect to the provisions of sections 11 and 12 exceeds the maximum amount which is not chargeable to income-tax in any previous year,—</p> <p>(i) the books of account and other documents have been kept and maintained in such form and manner and at such place, as may be prescribed; and</p> <p>(ii) the accounts of the trust or institution for that year have been audited by an accountant defined in the Explanation below sub-section (2) of section 288 before the specified date referred to in section 44AB and the person in receipt of the income furnishes by that date the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars, as may be prescribed;"</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
76	<b>Insertion of Section 271AAE</b>	Section 271AAE	Newly inserted	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>After Section 271AAD of the Act, following Section shall be inserted:</p> <p>“271AAE. Without prejudice to any other provision of this Chapter, if during any proceedings under this Act, it is found that a person, being any fund or institution referred to in sub-clause (iv) or any trust or institution referred to in sub- clause (v) or any university or other educational institution referred to in sub-clause (vi) or any hospital or other medical institution referred to in sub-clause (via) of clause (23C) of section 10, or any trust or institution referred to in section 11 has violated the provisions of the twenty-first proviso to clause (23C) of section 10, or clause (c) of sub-section (1) of section 13, as the case may be, the Assessing Officer may direct that such person shall pay by way of penalty—</p> <p style="padding-left: 40px;">(a) a sum equal to the aggregate amount of income applied, directly or indirectly, by such person, for the benefit of any person referred to in sub-section (3) of section 13, where the violation is noticed for the first time during any previous year; and</p>

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					<p>(b) a sum equal to two hundred per cent. of the aggregate amount of income of such person applied, directly or indirectly, by that person, for the benefit of any person referred to in sub-section (3) of section 13, where violation is noticed again in any subsequent previous year.”</p> <p>The proposed section seeks to operate without prejudice to any other provisions of chapter XXI i.e. if any penalty is leviable under any of the other provisions of Chapter XXI, in addition to the proposed penalty, that penalty would also be applicable.</p> <p>This amendment is proposed to demoralize the passing of unreasonable benefit to trustee or specified persons by any trust or institution covered under Section 10(23C), Section 11 and Section 12 of the Act.</p>
4	<b>Amendment of fifteenth proviso to Section 10(23C)</b>	Section 10(23C)	Amendment	01.04.2022	<p>The existing fifteenth proviso to Section 10(23C) is proposed to be amended as under:</p> <p>“Provided also that where the fund or institution referred to in sub-clause (iv) or trust or institution referred to in sub-clause (v) or any university or other educational institution referred to in sub-clause (vi) or any hospital or other medical institution</p>



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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>referred to in sub-clause (via) is approved under the said clause and subsequently—</p> <p>(a) the Principal Commissioner or Commissioner has noticed occurrence of one or more specified violations during any previous year; or</p> <p>(b) the Principal Commissioner or Commissioner has received a reference from the Assessing Officer under the second proviso to sub- section (3) of section 143 for any previous year; or</p> <p>(c) such case has been selected in accordance with the risk management strategy, formulated by the Board from time to time, for any previous year,</p> <p>the Principal Commissioner or Commissioner shall—</p> <p>(i) call for such documents or information from the fund or institution or trust or any university or other educational institution or any hospital or other medical institution, or make such inquiry as he thinks necessary in order to satisfy himself about the occurrence of any specified violation;</p>

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					<p>(ii) pass an order in writing cancelling the approval of such fund or institution or trust or any university or other educational institution or any hospital or other medical institution, on or before the specified date, after affording a reasonable opportunity of being heard, for such previous year and all subsequent previous years, if he is satisfied that one or more specified violation has taken place;</p> <p>(iii) pass an order in writing refusing to cancel the approval of such fund or institution or trust or any university or other educational institution or any hospital or other medical institution, on or before the specified date, if he is not satisfied about the occurrence of one or more specified violations;</p> <p>(iv) forward a copy of the order under clause (ii) or clause (iii), as the case may be, to the Assessing Officer and such fund or institution or trust or any university or other educational institution or any hospital or other medical institution.</p> <p>Explanation 1.—For the purposes of this proviso, “specified date” shall mean the day on which the period of</p>

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					<p>six months, calculated from the end of the quarter in which the first notice is issued by the Principal Commissioner or Commissioner, on or after the 1st day of April, 2022, calling for any document or information, or for making any inquiry, under clause (i) expires.</p> <p>Explanation 2.—For the purposes of this proviso, the following shall mean “specified violation”,—</p> <p>(a) where any income of the fund or institution or trust or any university or other educational institution or any hospital or other medical institution has been applied other than for the objects for which it is established; or</p> <p>(b) the fund or institution or trust or any university or other educational institution or any hospital or other medical institution has income from profits and gains of business, which is not incidental to the attainment of its objectives or separate books of account are not maintained by it in respect of the business which is incidental to the attainment of its objectives; or</p> <p>(c) any activity of the fund or</p>

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					<p>institution or trust or any university or other educational institution or any hospital or other medical institution—</p> <p>(A) is not genuine; or</p> <p>(B) is not being carried out in accordance with all or any of the conditions subject to which it was notified or approved; or</p> <p>(d) the fund or institution or trust or any university or other educational institution or any hospital or other medical institution has not complied with the requirement of any other law for the time being in force, and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality.</p> <p>Explanation 3.—For the purposes of clause (b) of this proviso, where the Assessing Officer has intimated the Central Government or the prescribed authority under the first proviso of sub-section (3) of section 143 about the contravention of the provisions of sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of this</p>

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					<p>clause by any fund or institution or trust or university or other educational institution or any hospital or other medical institution in respect of an assessment year, and the approval granted to such fund or institution or trust or university or other educational institution or any hospital or other medical institution has not been withdrawn, or the notification issued in its case has not been rescinded, on or before the 31st day of March, 2022, such intimation shall be deemed to be a reference received by the Principal Commissioner or Commissioner as on the 1st day of April, 2022, and the provisions of clause (b) of the second proviso to sub-section (3) of section 143 shall apply accordingly for such assessment year:’;</p> <p>A similar amendment has also been made in Section 12AB(4) of the Act for trusts and institutions under Section 11 and Section 12 of the Act.</p>
7	<b>Amendment of Sub-Section (4) and (5) of Section 12AB</b>	Section 12(AB)	Amendment	01.04.2022	<p>The existing sub-sections (4) and (5) of Section 12AB are proposed to be amended as under:</p> <p>‘(4) Where registration or provisional registration of a trust or an institution has been granted under clause (a) or clause (b)</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>or clause (c) of sub-section (1) or clause (b) of sub- section (1) of section 12AA, as the case may be, and subsequently,—</p> <p>(a) the Principal Commissioner or Commissioner has noticed occurrence of one or more specified violations during any previous year; or</p> <p>(b) the Principal Commissioner or Commissioner has received a reference from the Assessing Officer under the second proviso to sub-section (3) of section 143 for any previous year; or</p> <p>(c) such case has been selected in accordance with the risk management strategy, formulated by the Board from time to time, for any previous year,</p> <p>the Principal Commissioner or Commissioner shall—</p> <p>(i) call for such documents or information from the trust or institution, or make such inquiry as he thinks necessary in order to satisfy himself about the occurrence or otherwise of any specified violation;</p> <p>(ii) pass an order in writing, cancelling the registration of such trust or</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>institution, after affording a reasonable opportunity of being heard, for such previous year and all subsequent previous years, if he is satisfied that one or more specified violations have taken place;</p> <p>(iii) pass an order in writing, refusing to cancel the registration of such trust or institution, if he is not satisfied about the occurrence of one or more specified violations;</p> <p>(iv) forward a copy of the order under clause (ii) or clause (iii), as the case may be, to the Assessing Officer and such trust or institution.</p> <p>Explanation.—For the purposes of this sub-section, the following shall mean “specified violation”,—</p> <p>(a) where any income derived from property held under trust, wholly or in part for charitable or religious purposes, has been applied, other than for the objects of the trust or institution; or</p> <p>(b) the trust or institution has income from profits and gains of business which is not incidental to</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>the attainment of its objectives or separate books of account are not maintained by such trust or institution in respect of the business which is incidental to the attainment of its objectives; or</p> <p>(c) the trust or institution has applied any part of its income from the property held under a trust for private religious purposes, which does not enure for the benefit of the public; or</p> <p>(d) the trust or institution established for charitable purpose created or established after the commencement of this Act, has applied any part of its income for the benefit of any particular religious community or caste; or</p> <p>(e) any activity being carried out by the trust or institution—</p> <p style="padding-left: 40px;">(i) is not genuine; or</p> <p style="padding-left: 40px;">(ii) is not being carried out in accordance with all or any of the conditions subject to which it was registered; or</p>



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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(f) the trust or institution has not complied with the requirement of any other law, as referred to in item (B) of sub-clause (i) of clause (b) of sub-section (1), and the order, direction or decree, by whatever name called, holding that such non-compliance has occurred, has either not been disputed or has attained finality.</p> <p>(5) The order under clause (ii) or clause (iii) of sub- section (4), as the case may be, shall be passed before the expiry of a period of six months, calculated from the end of the quarter in which the first notice is issued by the Principal Commissioner or Commissioner, on or after the 1st day of April, 2022, calling for any document or information, or for making any inquiry, under clause (i) of sub-section (4).'</p> <p>A similar amendment has also been made in fifteenth proviso to Section 10(23C) of the Act for trusts and institutions under Section 10(23C) of the Act.</p>
40	<b>Amendment of first and second proviso and deletion of third proviso to</b>	Section 143(3)	Amendment/ Deletion	01.04.2022	<p>The first and second proviso to Section 143(3) of the Act is being amended as under:</p> <p><u>Amended First Proviso</u> “Provided that in the case of a—</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
	Section 143(3)				<p>(a) research association referred to in clause (21) of section 10;</p> <p>(b) news agency referred to in clause (22B) of section 10;</p> <p>(c) association or institution referred to in clause (23A) of section 10;</p> <p>(d) institution referred to in clause (23B) of section 10,</p> <p>which is required to furnish the return of income under sub-section (4C) of section 139, no order making an assessment of the total income or loss of such research association, news agency, association or institution, shall be made by the Assessing Officer, without giving effect to the provisions of section 10, unless—</p> <p>(i) the Assessing Officer has intimated the Central Government or the prescribed authority the contravention of the provisions of clause (21) or clause (22B) or clause (23A) or clause (23B), as the case may be, by such research association, news agency, association or institution, where in his view such contravention has taken place; and</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(ii) the approval granted to such research association or other association or institution has been withdrawn or notification issued in respect of such news agency or association or institution has been rescinded.”;</p> <p><u>Amended Second Proviso</u>  “Provided further that where the Assessing Officer is satisfied that any fund or institution referred to in sub- clause (iv) or trust or institution referred to in sub-clause - (v) or any university or other educational institution referred to in sub-clause (vi) or any hospital or other medical institution referred to in sub-clause (via), of clause (23C) of section 10, or any trust or institution referred to in section 11, has committed any specified violation as defined in Explanation 2 to the fifteenth proviso to clause (23C) of section 10 or the Explanation to sub-section (4) of section 12AB, as the case may be, he shall—</p> <p>(a) send a reference to the Principal Commissioner or Commissioner to withdraw the approval or registration, as the case may be; and</p> <p>(b) no order making an assessment of</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>the total income or loss of such fund or institution or trust or any university or other educational institution or any hospital or other medical institution shall be made by him without giving effect to the order passed by the Principal Commissioner or Commissioner under clause (ii) or clause (iii) of the fifteenth proviso to clause (23C) of section 10 or clause (ii) or clause (iii) of sub-section (4) of section 12AB:</p> <p>Provided also that where the Assessing Officer is satisfied that the activities of the university, college or other institution referred to in clause (ii) and clause (iii) of sub-section (1) of section 35 are not being carried out in accordance with all or any of the conditions subject to which such university, college or other institution was approved, he may, after giving a reasonable opportunity of showing cause against the proposed withdrawal to the concerned university, college or other institution, recommend to the Central Government to withdraw the approval and that Government may by order, withdraw the approval and forward a copy of the order to the concerned university, college or other institution and the Assessing Officer:</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<u>Third Proviso is proposed to be deleted.</u>
48	<b>Amendment of clause (iii) of Explanation to Section 153 and insertion of new clause (xiii) in Section 153</b>	Section 153	Amendment/ newly inserted	01.04.2022	<p>In Clause (iii) of Explanation to Section 153 of the Act, reference to trust and institutions under Section 10(23C) of the Act has been deleted and a new clause (xiii) has been inserted as under:</p> <p>“(xiii) the period commencing from the date on which the Assessing Officer makes a reference to the Principal Commissioner or Commissioner under the second proviso to sub-section (3) of section 143 and ending with the date on which the copy of the order under clause (ii) or clause (iii) of the fifteenth proviso to clause (23C) of section 10 or clause (ii) or clause(iii) of sub-section (4) of section 12AB, as the case may be, is received by the Assessing Officer,”</p> <p>The above amendment/ insertion is aimed to exclude the period taken by the PCIT or CIT in deciding the cancellation of registration of a trust or institution, from the limitation period allowed to the AO in passing an order of assessment/ reassessment, as the case may be.</p>
4	<b>Insertion of Explanation 3, 4 &amp; 5 to third proviso to</b>	Section 10(23C)	New insertion	01.04.2023 i.e. for AY 2023-24 and subsequent	<p>After Explanation 2 to third proviso to Section 10(23C) of the Act, new explanations 3, 4 and 5 has been inserted as under:</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
	Section 10(23C)			Assessment Years	<p>“Explanation 3.—For the purposes of determining the amount of application under this proviso, where eighty-five per cent. of the income referred to in clause (a) of this proviso is not applied wholly and exclusively to the objects for which the fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) is established, during the previous year but is accumulated or set apart, either in whole or in part, for application to such objects, such income so accumulated or set apart shall not be included in the total income of the previous year of the person in receipt of the income, if the following conditions are complied with, namely:—</p> <p>(a) such person furnishes a statement in such form and manner, as may be prescribed, to the Assessing Officer stating the purpose for which the income is being accumulated or set apart and the period for which the income is to be accumulated or set apart, which shall in no case exceed five years;</p> <p>(b) the money so accumulated or set apart is invested or deposited in the</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>forms or modes specified in sub-section (5) of section 11; and</p> <p>(c) the statement referred to in clause (a) is furnished on or before the due date specified under sub-section (1) of section 139 for furnishing the return of income for the previous year:</p> <p>Provided that in computing the period of five years referred to in clause (a), the period during which the income could not be applied for the purpose for which it is so accumulated or set apart, due to an order or injunction of any court, shall be excluded.</p> <p>Explanation 4.—Any income referred to in Explanation 3, which—</p> <p>(a) is applied for purposes other than wholly and exclusively to the objects for which the fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) is established or ceases to be accumulated or set apart for application thereto; or</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(b) ceases to remain invested or deposited in any of the forms or modes specified in sub- section (5) of section 11; or</p> <p>(c) is not utilised for the purpose for which it is so accumulated or set apart during the period referred to in clause (a) of Explanation 3; or</p> <p>(d) is credited or paid to any trust or institution registered under section 12AA or section 12AB or to any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via),</p> <p>shall be deemed to be the income of such person of the previous year—</p> <p>(i) in which it is so applied or ceases to be so accumulated or set apart under clause (a); or</p> <p>(ii) in which it ceases to remain so invested or deposited under clause (b); or</p> <p>(iii) being the last previous year of the</p>



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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>period, for which the income is accumulated or set apart under clause (a) of Explanation 3, but not utilised for the purpose for which it is so accumulated or set apart under clause (c); or</p> <p>(iv) in which it is credited or paid to any fund or institution or trust or any university or other educational institution or any hospital or other medical institution under clause (d).</p> <p>Explanation 5.—Notwithstanding anything contained in Explanation 4, where due to circumstances beyond the control of the person in receipt of the income, any income invested or deposited in accordance with the provisions of clause (b) of Explanation 3 cannot be applied for the purpose for which it was accumulated or set apart, the Assessing Officer may, on an application made to him in this behalf, allow such person to apply such income for such other purpose in India as is specified in the application by that person and as is in conformity with the objects for which the fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) is established;</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>and thereupon the provisions of Explanation 4 shall apply as if the purpose specified by that person in the application under this Explanation were a purpose specified in the notice given to the Assessing Officer under clause (a) of Explanation 3:</p> <p>Provided that the Assessing Officer shall not allow application of such income by way of payment or credit made for the purposes referred to in clause (d) of Explanation 4:”;</p> <p>The above amendments are made merely to bring parity between the provisions of Section 11 and Section 10(23C) of the Act in relation to accumulation of income where a trust or institution is not able to apply 85% of its income during any previous year, subject to conditions.</p>
5	<b>Amendment of clause (c) of Section 11(3)</b>	Section 11(3)	Amendment	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>The relevant amended provisions of Section 11 of the Act are as under:</p> <p>“11 (1) .....</p> <p>(2) Where eighty-five per cent of the income referred to in clause (a) or clause (b) of sub-section (1) read with the Explanation to that sub-section is not applied, or is not deemed to have been applied, to charitable or religious purposes in India during the previous year but is accumulated or set</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>apart, either in whole or in part, for application to such purposes in India, such income so accumulated or set apart shall not be included in the total income of the previous year of the person in receipt of the income, provided the following conditions are complied with, namely:—</p> <p>.....</p> <p>.....</p> <p>(3) Any income referred to in sub-section (2) which—</p> <p>(a) is applied to purposes other than charitable or religious purposes as aforesaid or ceases to be accumulated or set apart for application thereto, or</p> <p>(b) ceases to remain invested or deposited in any of the forms or modes specified in sub-section (5), or</p> <p>(c) is not utilised for the purpose for which it is so accumulated or set apart during the period referred to in clause (a) of that sub-section or in the year immediately following the expiry thereof,</p> <p>(d) is credited or paid to any trust or institution registered under section 12AA or section 12AB or to any fund or</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10,</p> <p><del>shall be deemed to be the income of such person of the previous year in which it is so applied or ceases to be so accumulated or set apart or ceases to remain so invested or deposited or credited or paid or, as the case may be, of the previous year immediately following the expiry of the period aforesaid.</del></p> <p><b>shall be deemed to be the income of such person of the previous year—</b></p> <p><b>(i) in which it is so applied or ceases to be so accumulated or set apart under clause (a); or</b></p> <p><b>(ii) in which it ceases to remain so invested or deposited under clause (b); or</b></p> <p><b>(iii) being the last previous year of the period, for which the income is accumulated or set apart but not utilised for the purpose for which it is so accumulated or set apart under</b></p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p style="text-align: center;"><b>clause (c); or</b></p> <p style="text-align: center;"><b>(iv) in which it is credited or paid to any fund or institution or trust or any university or other educational institution or any hospital or other medical institution under clause (d).”</b></p> <p>The above amendments are made merely to bring parity between the provisions of Section 11 and Section 10(23C) of the Act in relation to accumulation of income where a trust or institution is not able to apply 85% of its income during any previous year, subject to conditions.</p>
4	<p><b>Insertion of twenty first proviso in Section 10(23C) of the Act</b></p>	Section 10(23C)	Newly inserted	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>Twenty first proviso has been inserted in Section 10(23C) of the Act as under:</p> <p>“Provided also that where the income or part of income or property of any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via), has been applied directly or indirectly for the benefit of any person referred to in sub-section (3) of section 13, such income or part of income or property shall, after taking into account the provisions of sub-sections (2), (4) and (6) of the said section, be deemed to be the income of such</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>person of the previous year in which it is so applied:"</p> <p>Through above insertion, a few provisions of Section 13 has been made applicable to Section 10(23C) of the Act also.</p>
31	<b>Amendment in Section 115TD of the Act</b>	Section 115TD	Amendment	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>Newly amended Section 115TD is as under:</p> <p>“115TD (1) Notwithstanding anything contained in this Act, where in any previous year, a specified person has—</p> <p style="padding-left: 40px;">(a) converted into any form which is not eligible for grant of registration under section 12AA or section 12AB, or approval under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10 ;</p> <p style="padding-left: 40px;">(b) merged with any entity other than an entity which is a trust or institution having objects similar to it and registered under section 12AA or section 12AB or approved under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10; or</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(c) failed to transfer upon dissolution all its assets to any other specified person within a period of twelve months from the end of the month in which the dissolution takes place,</p> <p>then, in addition to the income-tax chargeable in respect of the total income of such specified person, the accreted income of the specified person as on the specified date shall be charged to tax and such specified person shall be liable to pay additional income-tax (herein referred to as tax on accreted income) at the maximum marginal rate on the accreted income.</p> <p>(2) The accreted income for the purposes of sub- section (1) means the amount by which the aggregate fair market value of the total assets of the specified person, as on the specified date, exceeds the total liability of such specified person, computed in accordance with the method of valuation, as may be prescribed:</p> <p>Provided that so much of the accreted income as is attributable to the following asset and liability, if any, related to such asset, shall be ignored for the purposes of sub-section (1), namely:—</p> <p>(i) any asset which is established to have</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>been directly acquired by the specified person out of its income of the nature referred to in clause (1) of section 10;</p> <p>(ii) any asset acquired by the specified person during the period beginning from the date of its creation or establishment and ending on the date from which the registration under section 12AA or section 12AB or approval under clause (23C) of section 10 became effective, if the specified person has not been allowed any benefit of sections 11 and 12 or sub- clause (iv) or sub-clause (v) or sub-clause (vi) or sub- clause (via) of clause (23C) of section 10 during the said period:</p> <p>Provided further that where due to the provisions of the first proviso or the second proviso to sub-section (2) of section 12A or the eighth proviso to clause (23C) of section 10, the benefit of sections 11 and 12, or sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub- clause (via) of clause (23C) of section 10 have been allowed to the specified person in respect of any previous year or years beginning prior to the date from which the registration under section 12AA or section 12AB or approval under clause (23C) of section 10 is effective, then, for the purposes of clause (ii) of the first proviso,</p>



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					<p>the registration or approval shall be deemed to have become effective from the first day of the earliest previous year:</p> <p>Provided also that while computing the accreted income in respect of a case referred to in clause (c) of sub-section (1), assets and liabilities, if any, related to such asset, which have been transferred to any other specified person within the period specified in the said clause, shall be ignored.</p> <p>(3) For the purposes of sub-section (1), a specified person shall be deemed to have been converted into any form not eligible for registration under section 12AA or section 12AB or approval under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10 in a previous year, if,—</p> <p style="padding-left: 40px;">(i) the registration or approval granted to it under section 12AA, or section 12AB, or sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10, has been cancelled; or</p> <p style="padding-left: 40px;">(ii) it has adopted or undertaken modification of its objects which do not conform to the conditions of registration and it—</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(a) has not applied for fresh registration under section 12AA, or section 12AB, or approval under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10 in the said previous year; or</p> <p>(b) has filed application for fresh registration under section 12AA or, section 12AB, or approval under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10 but the said application has been rejected.”;</p> <p>(4) Notwithstanding that no income-tax is payable by a <del>trust or the institution</del> <b>specified person</b> on its total income computed in accordance with the provisions of this Act, the tax on the accreted income under sub-section (1) shall be payable by such trust or the institution.</p> <p>(5) The principal officer or the trustee of the <del>trust or the institution</del> <b>specified person</b>, as the case may be, and the trust or the institution shall also be liable to pay the tax on accreted income to the credit of the Central Government within fourteen days from,—</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(i) the date on which,—</p> <p style="padding-left: 40px;">(a) the period for filing appeal under section 253 against the order cancelling the registration expires and no appeal has been filed by the <del>trust or the institution</del> <b>specified person</b>; or</p> <p style="padding-left: 40px;">(b) the order in any appeal, confirming the cancellation of the registration, is received by the <del>trust or the institution</del> <b>specified person</b>,</p> <p>in a case referred to in clause (i) of sub-section (3);</p> <p>(ii) the end of the previous year in a case referred to in sub-clause (a) of clause (ii) of sub-section (3);</p> <p>(iii) the date on which,—</p> <p style="padding-left: 40px;">(a) the period for filing appeal under section 253 against the order rejecting the application expires and no appeal has been filed by the <del>trust or the institution</del> <b>specified person</b>; or</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(b) the order in any appeal, confirming the cancellation of the application, is received by the <del>trust or the institution</del> <b>specified person</b>,</p> <p>in a case referred to in sub-clause (b) of clause (ii) of sub-section (3);</p> <p>(iv) the date of merger in a case referred to in clause (b) of sub-section (1);</p> <p>(v) the date on which the period of twelve months referred to in clause (c) of sub-section (1) expires.</p> <p>(6) The tax on the accreted income by the <del>trust or the institution</del> <b>specified person</b> shall be treated as the final payment of tax in respect of the said income and no further credit therefor shall be claimed by the <del>trust or the institution</del> <b>specified person</b> or by any other person in respect of the amount of tax so paid.</p> <p>(7) No deduction under any other provision of this Act shall be allowed to the <del>trust or the institution</del> <b>specified person</b> or any other person in respect of the income which has been charged to tax under sub-section (1) or the tax thereon.</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>Explanation.—For the purposes of this section,—</p> <p>(i) "date of conversion" means,—</p> <p style="padding-left: 40px;">(a) the date of the order cancelling the registration under section 12AA or section 12AB, <b>or approval under sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10</b>, in a case referred to in clause (i) of sub-section (3); or</p> <p style="padding-left: 40px;">(b) the date of adoption or modification of any object, in a case referred to in clause (ii) of sub-section (3);</p> <p>(ii) "specified date" means,—</p> <p style="padding-left: 40px;">(a) the date of conversion in a case falling under clause (a) of sub-section (1);</p> <p style="padding-left: 40px;">(b) the date of merger in a case falling under clause (b) of sub-section (1); and</p> <p style="padding-left: 40px;">(c) the date of dissolution in a case falling under clause (c) of sub-section (1);</p> <p><b>(ia) "specified person" means—</b></p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(a) any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of clause (23C) of section 10; or</p> <p>(b) a trust or institution registered under section 12AA or section 12AB;'</p> <p>(iii) registration under section 12AA or section 12AB shall include any registration obtained under section 12A as it stood before its amendment by the Finance (No. 2) Act, 1996 (33 of 1996).</p> <p>These amendments are to bring parity between trust and institutions under Section 11 &amp; 12 of the Act and Section 10(23C) of the Act.</p>
32	<b>Amendment in Section 115TE of the Act</b>	Section 115TE	Amendment	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>Newly amended Section 115TE is as under:</p> <p><u>Interest payable for non-payment of tax by trust or institution specified person.</u></p> <p>115TE. Where the principal officer or the trustee of the <del>trust or institution</del> <b>specified person</b> and the <del>trust or institution</del> <b>specified person</b> fails to pay the whole or any part of</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>the tax on the accreted income referred to in sub-section (1) of section 115TD, within the time allowed under sub-section (5) of that section, he or it shall be liable to pay simple interest at the rate of one per cent for every month or part thereof on the amount of such tax for the period beginning on the date immediately after the last date on which such tax was payable and ending with the date on which the tax is actually paid.</p> <p><b>‘Explanation.—For the purposes of this section, “specified person” shall have the same meaning as assigned to in clause (iia) of the Explanation to section 115TD.’</b></p> <p>These amendments are to bring parity between trust and institutions under Section 11 &amp; 12 of the Act and Section 10(23C) of the Act.</p>
33	<b>Amendment in Section 115TF of the Act</b>	Section 115TF	Amendment	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>Newly amended Section 115TE is as under:</p> <p><u>When <del>trust or institution</del> <b>specified person</b> is deemed to be assessee in default.</u></p> <p>115TF. (1) If any principal officer or the trustee of the <del>trust or institution</del> <b>specified person</b> and the <del>trust or institution</del> <b>specified person</b> does not pay tax on accreted income in accordance with the provisions of section 115TD, then, he or it shall be deemed to be</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>an assessee in default in respect of the amount of tax payable by him or it and all the provisions of this Act for the collection and recovery of income-tax shall apply.</p> <p>(2) Notwithstanding anything contained in sub-section (1), in a case where the tax on accreted income is payable under the circumstances referred to in clause (c) of sub-section (1) of section 115TD, the person to whom any asset forming part of the computation of accreted income under sub-section (2) thereof has been transferred, shall be deemed to be an assessee in default in respect of such tax and interest thereon and all the provisions of this Act for the collection and recovery of income-tax shall apply:</p> <p>Provided that the liability of the person referred to in this sub-section shall be limited to the extent to which the asset received by him is capable of meeting the liability.</p> <p><b>‘Explanation.—For the purposes of this section, “specified person” shall have the same meaning as assigned to in clause (iia) of the Explanation to section 115TD.’</b></p> <p>These amendments are to bring parity between trust and institutions under Section</p>



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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					11 & 12 of the Act and Section 10(23C) of the Act.
4	<b>Insertion of twentieth proviso in Section 10(23C) of the Act</b>	Section 10(23C)	Newly inserted	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>Twentieth proviso has been inserted in Section 10(23C) of the Act as under:</p> <p>‘Provided also that the fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) shall furnish the return of income for the previous year in accordance with the provisions of sub-section (4C) of section 139, within the time allowed under that section:</p> <p>This amendment provides that for the purpose of exemption under section 10(23C) of the Act, the trust and institution is required to furnish the return of income for the previous year in accordance with the provisions of Section 139(4C) of the Act. Within the time allowed under that section.</p>
4	<b>Insertion of twenty second proviso to Section 10(23C) of the Act</b>	Section 10(23C)	Newly inserted	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	This amendment brings clarity on allowability of expenses in cases where exemption is not available to any trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi)

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>or sub-clause (via) violates the conditions of the tenth proviso or twentieth proviso, or where the provisions of the eighteenth proviso are applicable, its income chargeable to tax shall be computed after allowing deduction for the expenditure (other than capital expenditure) incurred in India, for the objects of the fund or institution or trust or the university or other educational institution or the hospital or other medical institution, subject to fulfilment of the following conditions, namely:—</p> <p>(a) such expenditure is not from the corpus standing to the credit of the fund or institution or trust or the university or other educational institution or the hospital or other medical institution as on the end of the financial year immediately preceding the previous year relevant to the assessment year for which the income is being computed;</p> <p>(b) such expenditure is not from any loan or borrowing;</p> <p>(c) claim of depreciation is not in respect of an asset, acquisition of which has been claimed as application of income in the same or any other previous year; and</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(d) such expenditure is not in the form of any contribution or donation to any person.</p> <p>Explanation.—For the purposes of determining the amount of expenditure under this proviso, the provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A shall, mutatis mutandis, apply as they apply in computing the income chargeable under the head “Profits and gains of business or profession”:</p> <p>Provided also that for the purposes of computing income chargeable to tax under the twenty-second proviso, no deduction in respect of any expenditure or allowance or set-off of any loss shall be allowed to the assessee under any other provision of this Act:’.</p> <p><u>Further, after Explanation 2, Explanation 3 shall be inserted as under:</u></p> <p>“Explanation 3.—For the purposes of this clause, any sum payable by any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi)</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>or sub- clause (via) shall be considered as application of income during the previous year in which such sum is actually paid by it (irrespective of the previous year in which the liability to pay such sum was incurred by the fund or institution or trust or any university or other educational institution or any hospital or other medical institution according to the method of accounting regularly employed by it):</p> <p>Provided that where during any previous year any sum has been claimed to have been applied by the fund or institution or trust or any university or other educational institution or any hospital or other medical institution, such sum shall not be allowed as application in any subsequent previous year;”.</p> <p>The above amendments are self-clarity in nature.</p>
8	<b>Amendment in Section 13 of the Act</b>	Section 13	Amendment	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>This amendment brings clarity on allowability of expenses in cases where exemption is not available to any trust or institution for:</p> <p>(a) Having commercial receipts in excess of 20% of the annual receipts in violation of the provisions of proviso to section 2(15);</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(b) Not getting the books of account audited;</p> <p>(c) Not filing the return of income presently specifically provided under the second regime only;</p> <p>In such cases, the income chargeable to tax shall be computed after allowing deduction for the expenditure (other than capital expenditure) incurred in India, for the objects of the trust or institution, subject to the fulfilment of following conditions:</p> <p>(i) such expenditure is not from the corpus standing to the credit of such trust or institution as on the last day of the financial year immediately preceding the previous year relevant to the assessment year for which the income is being computed;</p> <p>(ii) such expenditure is not from any loan or borrowing;</p> <p>(iii) claim of depreciation is not in respect of an asset, acquisition of which has been claimed as application of income in the same or any other previous year; and</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>(iv) such expenditure is not in the form of any contribution or donation to any person.</p> <p>Apart from above, the provisions of Section 40(a), 40(ia), 40A(3) and 40A(3A) shall also, mutatis mutandis, apply as they apply in computing the income chargeable under the head "Profits and gains of business or profession".</p> <p>Further, it has been proposed that no deduction in respect of any expenditure or allowance or set-off of any loss shall be allowed under any other provision of the Act for the purpose of computing income chargeable to tax.</p>
4	<b>Insertion of twenty first proviso to Section 10(23C) of the Act</b>	Section 10(23C)	Newly Inserted	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>Twenty first proviso has been inserted to Section 10(23C) of the Act as under:</p> <p>"Provided also that where the income or part of income or property of any fund or institution or trust or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi)</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>or sub-clause (via), has been applied directly or indirectly for the benefit of any person referred to in sub-section (3) of section 13, such income or part of income or property shall, after taking into account the provisions of sub-sections (2), (4) and (6) of the said section, be deemed to be the income of such person of the previous year in which it is so applied:"</p> <p>The above provision are self-clarity in nature.</p>
8	<b>Amendment in Section 13 of the Act</b>	Section 13	Amendment	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	Amendment has been made in Section 13(1)(c) and 13(1)(d) of the Act to provide that only that part of income which has been applied or invested in violation of the relevant clause shall be included in total income.
28	<b>New Section 115BBI of the Act</b>	Section 115BBI	New insertion	01.04.2023 i.e. for AY 2023-24 and subsequent Assessment Years	<p>A new Section 115BBI has been inserted as under:</p> <p>"115BBI. (1) Where the total income of an assessee, being a person in receipt of income on behalf of any fund or institution referred to in sub-clause (iv) or any trust or institution referred to in sub-clause (v) or any university or other educational institution referred to in sub-clause (vi) or any hospital or other medical institution referred to in sub-clause (via), of clause (23C) of section 10 or any</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>trust or institution referred to in section 11, includes any income by way of any specified income, the income-tax payable shall be the aggregate of—</p> <p style="padding-left: 40px;">(i) the amount of income-tax calculated at the rate of thirty per cent. on the aggregate of such specified income; and</p> <p style="padding-left: 40px;">(ii) the amount of income-tax with which the assessee would have been chargeable had the total income of the assessee been reduced by the aggregate of specified income referred to in clause (i).</p> <p>(2) Notwithstanding anything contained in this Act, no deduction in respect of any expenditure or allowance or set off of any loss shall be allowed to the assessee under any provision of this Act in computing the specified income referred to in clause (i) of sub-section (1).</p> <p>Explanation.—For the purposes of this section, “specified income” means—</p> <p style="padding-left: 40px;">(a) income accumulated or set apart in excess of fifteen per cent. of the income where such accumulation is not allowed under any specific provision of</p>



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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>this Act; or</p> <p>(b) deemed income referred to in Explanation 4 to the third proviso to clause (23C) of section 10, or sub-section (1B) or sub-section (3) of section 11; or</p> <p>(c) any income, which is not exempt under clause (23C) of section 10 on account of violation of the provisions of clause(b) of the third proviso of clause (23C) of section 10, or not to be excluded from the total income under the provisions of clause (d) of sub-section(1) of section 13; or</p> <p>(d) any income which is deemed to be income under the twenty-first proviso to clause (23C) of section 10 or which is not excluded from the total income under clause(c) of sub-section (1) of section 13; or</p> <p>(e) any income which is not excluded from the total income under clause (c) of sub-section (1) of section 11.”</p>
4	<b>Insertion of Explanation 1A &amp; 1B in third proviso to</b>	Section 10(23C)	Newly inserted	Retrospectively from 01.04.2021 i.e. AY 2021-22	The Explanation 1A & 1B has been inserted in third proviso to Section 10(23C) of the Act as under:

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
	Section 10(23C)			and subsequent Assessment Years	<p>“Explanation 1A.—For the purposes of this proviso, where the property held under a trust or institution referred to in clause (v) includes any temple, mosque, gurdwara, church or other place notified under clause (b) of sub-section (2) of section 80G, any sum received by such trust or institution as a voluntary contribution for the purpose of renovation or repair of such temple, mosque, gurdwara, church or other place, may, at its option, be treated by such trust or institution as forming part of the corpus of that trust or institution, subject to the condition that the trust or institution,—</p> <p style="padding-left: 40px;">(a) applies such corpus only for the purpose for which the voluntary contribution was made;</p> <p style="padding-left: 40px;">(b) does not apply such corpus for making contribution or donation to any person;</p> <p style="padding-left: 40px;">(c) maintains such corpus as separately identifiable; and</p> <p style="padding-left: 40px;">(d) invests or deposits such corpus in the forms and modes specified under sub-section(5) of section 11.”</p> <p>“Explanation 1B.—For the purposes of Explanation 1A, where any trust or</p>

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Clause(S) of Finance Bill, 2021	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief Of Amendment
					<p>institution referred to in sub-clause (v) has treated any sum received by it as forming part of the corpus, and subsequently any of the conditions specified in clause (a) or clause (b) or clause (c) or clause (d) of the said Explanation is violated, such sum shall be deemed to be the income of such trust or institution of the previous year during which the violation takes place.”</p>
5	<p><b>Insertion of Explanation 3A &amp; 3B in Section 11(1)</b></p>	Section 11(1)	Newly inserted	<p>Retrospectively from 01.04.2021 i.e. AY 2021-22 and subsequent Assessment Years</p>	<p>The Explanation 3A &amp; 3B has been inserted in Section 11(1) of the Act as under:</p> <p>“Explanation 3A.—For the purposes of this sub- section, where the property held under a trust or institution includes any temple, mosque, gurdwara, church or other place notified under clause (b) of sub- section (2) of section 80G, any sum received by such trust or institution as voluntary contribution for the purpose of renovation or repair of such temple, mosque, gurdwara, church or other place, may, at its option, be treated by such trust or institution as forming part of the corpus of the trust or the institution, subject to the condition that the trust or the institution—</p> <p style="text-align: right;">(a) applies such corpus only for the purpose for which the voluntary contribution was made;</p>

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					<p>(b) does not apply such corpus for making contribution or donation to any person;</p> <p>(c) maintains such corpus as separately identifiable; and</p> <p>(d) invests or deposits such corpus in the forms and modes specified under sub-section (5) of section 11.</p> <p>Explanation 3B.—For the purposes of Explanation 3A, where any trust or institution has treated any sum received by it as forming part of the corpus, and subsequently any of the conditions specified in clause (a) or clause (b) or clause (c) or clause (d) of the said Explanation is violated, such sum shall be deemed to be the income of such trust or institution of the previous year during which the violation takes place.”;</p>
4 & 5	<b>Insertion of Explanation 3 to Section 10(23C) and Explanation to Section 11 of the Act</b>	Section 10(23C) and Section 11	Newly Inserted	01.04.2022 i.e. from AY 2022-23 and subsequent Assessment Years	Any trust or institution is required to apply 85% of their income for the purposes specified. Though the word “application” means actually paid, explanation has been inserted to Section 10(23C) and Section 11 of the Act to provide that any sum payable by any trust or institution covered under section 10(23C) or Section 11 of the Act shall be considered as application of income in

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					<p>the previous year in which such sum is actually paid by it irrespective of the previous year in which the liability to pay such sum was incurred by such trust according to the method of accounting regularly employed by it.</p> <p>Further, proviso has been added to the Explanation 3 to Section 10(23C) and Explanation to Section 11 of the Act to provide that where during any previous year, any sum has been claimed to have been applied by such trust, such sum shall not be allowed as application in any subsequent previous year.</p>
4	<b>Amendment in sub-clauses (iv), (v), (vi) and (via) and nineteenth proviso to Section 10(23C)</b>	Section 10(23C)	Amendment	01.04.2022	<p>application for the approval of any trust under Section 10(23C) is required to be filed before the jurisdictional Principal Commissioner or Commissioner and such Principal Commissioner or Commissioner shall grant approval after examination of the application. However, the reference to prescribed authority with Principal Commissioner or Commissioner in sub-clause (iv), (v), (vi) and (via) and nineteenth proviso to clause (23C) of section 10 of the Act was inadvertently not made earlier and as such, consequential amendment for correcting the reference from prescribed authority to Principal Commissioner or Commissioner has been made.</p>

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11	<b>Amendment in Section 35(1A) of the Act</b>	Section 35(1A)	Amendment	01.04.2021	<p>This amendment is made to correct an inadvertent drafting error in Section 35(1A) of the Act where as per existing provisions, if the research association, university, college or other institution referred to in clause (ii) or clause (iii) or the company referred to in clause (iia) of sub-section (1) of section 35 of the Act fails to file the statement of donations received by these entities from the donors, no deduction was (earlier drafted) to be allowed to the research association, university, college or other institution referred to in clause (ii) or clause (iii) or the company referred to in clause (iia) of sub-section (1) of section 35. However, the legislative intent was to disallow the benefit of deduction to be claimed by the donor under Section 80G of the Act. Accordingly, consequential amendment has been made to correct the inadvertent drafting error.</p>

Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
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Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
48 72	<b>Amendment to Section 153 and 263</b>	153 and 263	Insertion of New sub-section (5A) to the Section 153 Amendment to Section 263	WEF 01.04.2022 AY. 2022-23	<p>In Section 153 of the Income-Tax Act, after sub-section (5), the following sub-section shall be inserted, namely:—</p> <p><i>“(5A) Where the <b>Transfer Pricing Officer</b> gives effect to an order or direction under section 263 by an order under section 92CA and forwards such order to the Assessing Officer, the Assessing Officer shall proceed to modify the order of assessment or reassessment or re-computation, in conformity with such order of the Transfer Pricing Officer, <b><u>within two months</u></b> from the end of the month in which such order of the Transfer Pricing Officer is received by him.”</i></p> <p><b>Section 263</b> of the Act contains the provision for <b>revision of order</b> which is <b>erroneous</b> in so far as it is <b>prejudicial to the interests of revenue</b>.</p> <p>As per provisions of section 92CA, if the Assessing Officer considers it necessary or expedient, he may, with the approval of the Principal Commissioner or Commissioner refer the computation of arm’s length price (ALP or specified domestic transaction entered into by an assessee, to the Transfer Pricing Officer (TPO). The TPO passes an order determining the ALP in an international transaction or specified domestic transaction under the provisions of section 92CA and send it to the</p>

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					<p>Assessing Officer for final income determination. However, <b>it is not clear as to who has the power under section 263 to revise the order of the TPO passed under section 92CA.</b></p> <p>Therefore, it is proposed <b>to amend</b> the provisions of section 263 of the Act so as to provide that the Principal Chief Commissioner or the Chief Commissioner or the Principal Commissioner or Commissioner who is assigned the jurisdiction of transfer pricing may call for and examine the record of any proceeding under this Act, and if he considers that any <b>order passed by the TPO</b>, working under his jurisdiction, to be <b>erroneous</b> in so far as it is prejudicial to the interests of revenue, he <b>may pass an order directing revision of the order of TPO.</b></p>
35	<b>Amendment to Section 132</b>	132(8)	Amendment	01.04.2022 AY 2022-23	In order to amend the scope of Section 132(8), and to make the provisions of that section also applicable to assessment or reassessment or re-computation under sub- section (3) of 143 or section 144 or section 147, as the case may be, a reference to these sections have been made under Section 132(8) of the Act.
36	<b>Amendment to Section 132B</b>	132B(1) & 132(4)	Amendment	01.04.2022 AY 2022-23	In order to amend the scope of Section 132B, and to make the provisions of that section also applicable to assessment or reassessment or re-computation under sub- section (3) of 143 or



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					section 144 or section 147, as the case may be, a reference has been made to the expression completion of the assessment or reassessment or re-computation.
44	<b>Amendment to Section 148</b>	148	Second proviso	w.e.f. 01.04.2022	<p>Presently, before issuance of a notice under Section 148 of the Act, the AO is required to obtain prior approval of the specified authority to issue such notice.</p> <p>It is proposed that no such approval shall be required where <b><i>the Assessing Officer, with the prior approval of the specified authority</i></b>, has passed an order under clause (d) of section 148A to the effect that it is a fit case to issue a notice under this section.</p> <p>This way a second administrative approval is sought to be dispensed with.</p>
44	<b>Amendment to Section 148</b>	148	Amendment To Explanation 1	W.e.f. 01.04.2022	<p>The aforesaid Explanation referred to two cases where the information with the Assessing Officer would suggests that the income chargeable to tax has escaped assessment.</p> <p>This list is sought to be expanded by including following cases also within the ambit of income chargeable to tax which has escaped assessment:</p> <p>“(ii) any audit objection to the effect that the assessment in the case of the assessee for the relevant assessment year has not been made in</p>

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Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
					<p>accordance with the provisions of this Act; or</p> <p>(iii) any information received under an agreement referred to in section 90 or section 90A of the Act; or</p> <p>(iv) any information made available to the Assessing Officer under the scheme notified under section 135A; or</p> <p>(v) any information which requires action in consequence of the order of a Tribunal or a Court.</p> <p>Further, in existing cl(i) the reference to expression “flagged would be omitted.</p>
44	<b>Amendment to Section 148</b>	148	Amendment To Explanation 2	W.e.f. 01.04.2021 <b>Retrospective</b>	<p>In clause (ii), the reference to Section 133A(5) of the Act would be omitted. The said sub-section pertained to incurrence of ostensible expense at functions, ceremonies, etc.</p> <p>Also, in case of search and survey, there was a deemed assumption of escapement of income for the year in which search or survey was conducted and 3 (three) preceding AY’s.</p> <p>As per amendment, in Explanation 2 of section 148 the reference to three assessment years preceding the assessment year relevant to the year of search is sought to be omitted.</p>

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					<b><u>EVEN though</u></b> , the Memorandum explaining the provisions speaks about prior 3 years reference <b><u>Only</u></b> in case of search, the language of the section post amendment also includes reference <b><u>to survey also</u></b> . [see page 77, para 3(iii)]
45	<b>Amendment to Section 148A</b>	148A	Amendment to Section 148A(b)	01.04.2022	<p>Section 148A pertains to Conducting inquiry, providing opportunity before issue of notice under section 148.</p> <p>In clause (b) of this section, the reference to prior approval of specified authority before granting an opportunity of being heard is sought to be omitted.</p>
45	<b>Amendment to Section 148A</b>	148A	New Insertion of Cl (d) to proviso to Section 148A	01.04.2022	<p>The proviso to Section 148A lists out cases where no opportunity is required to be provided before issue of notice under section 148. As per amendment a new clause is sought to be added to the list which is as under:</p> <p><i>(d) the Assessing Officer has received any information under the scheme notified under section 135A pertaining to income chargeable to tax escaping assessment for any assessment year in the case of the assessee</i></p>
46	<b>Newly inserted Section</b>	148B	Newly inserted	01.04.2022	Prior approval for assessment, reassessment or re-computation in certain cases is envisaged similarly on the lines of Section 153D of the Act which provided that before passing of an order,

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					in respect of <b><i>an assessment year to which clause (i) or clause (ii) or clause (iii) or clause (iv) of Explanation 2 to section 148</i></b> applies to prior approval of the JCIT/Addl. CIT shall be required.
47	<b>Amendment to Section 149</b>	149(1)	Substitution of Cl(b)	01.04.2022	<p>The section 149 prescribes time limit for issuance of notice under Section 148 of the Act. The clause (b) of the said sub-section provided that</p> <p>No notice under section 148 shall be issued for the relevant assessment year <b><i>if three years, but not more than ten years</i></b>, have elapsed from the end of the relevant assessment year <b><i>unless</i></b> the Assessing Officer has in his possession books of account or other documents or evidence which reveal that the income chargeable to tax, <b><i>represented in the form of asset</i></b>, which has escaped assessment amounts to or is likely to amount to fifty lakh rupees or more for that year</p> <p>The above clause is sought to be enlarged by including details of other entries, expenses, disallowance, allowances, etc and the substituted cl is as under:</p> <p><i>b) if three years, but not more than ten years, have elapsed from the end of the relevant assessment year unless the Assessing Officer has in his possession books of account or other documents or evidence which reveal that the income chargeable to tax, represented in the form of—</i></p>

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Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
					<p><i>(i) an asset;</i></p> <p><i>(ii) expenditure in respect of a transaction or in relation to an event or occasion; or</i></p> <p><i>(iii) an entry or entries in the books of account,</i></p> <p><i>which has escaped assessment amounts to or is likely to amount to fifty lakh rupees or more</i></p>
47	<b>Amendment to Section 149</b>	149(1)	Substitution of First proviso	01.04.2021 <b>Retrospective</b>	<p><b><u>As per Finance Act 2021</u></b> If no notice under Section 148 could have been issued under old Law (owing to time limits under erstwhile section 149), the notice under New Section 148 could not have been issued either.</p> <p>The aforesaid stipulation is sought to be enlarged <b><u>by including reference to Section 153A as well as Section 153C of the Act</u></b> in the erstwhile proviso to Section 149(1) (post amendment by FA 2021) by substituting the existing proviso with following proviso:</p> <p><i>that no notice under section 148 shall be issued at any time in a case for the relevant assessment year beginning on or before 1st day of April, 2021, <b><u>if a notice under section 148 or section 153A or section 153C could not have been issued at that time on account of being beyond the time limit specified</u></b> under the provisions of</i></p>

## VOICE OF CA Executive Summary of Finance Bill,2022 - Direct Taxes (\*\*)

Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
					<i>clause (b) of sub-section (1) of section 149 or section 153A or section 153C, as the case may be, as they stood immediately before the commencement of the Finance Act, 2021.</i>
47	<b>Amendment to Section 149</b>	149(1A)	Newly inserted	01.04.2022	<p>The present section is applicable for notice beyond 3 AY's if income recorded in form of the asset which has escaped assessment amounts to or is likely to amount to fifty lakh rupees or more.</p> <p>The proposed sub-Section is as under:</p> <p><i>(1A) Notwithstanding anything contained in subsection (1), where the income chargeable to tax represented in the form of an asset or expenditure in relation to an event or occasion of the value referred to in clause (b) of sub-section (1), has escaped the assessment and the investment in such asset or expenditure in relation to such event or occasion has been made or incurred, <b><u>in more than one previous years</u></b> relevant to the assessment years within the period referred to in clause (b) of subsection (1), <b><u>a notice under section 148 shall be issued for every such assessment year</u></b> for assessment, reassessment or recomputation, as the case may be."</i></p> <p>Thus, post amendment, even though in a single AY the escaped income is less than 50Lakhs, in-case it is more than 50 Lakh and is spanning over</p>

## VOICE OF CA Executive Summary of Finance Bill, 2022 - Direct Taxes (\*\*)

Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
					more than 1 AY then notice under Section 148 could be issued for each of such AY during which the escaped income is spanning over.
48	<b>Amendment to Section 153</b>	Clause (xii) to Expl. 1 to Sec. 153	Newly inserted	<b>01.04.2021</b> Retrospective effect	The new clause seeks to provide <b><i>for exclusion of the period of limitation</i></b> for the purpose of assessment, reassessment or recomputation, <b><i>(not exceeding one hundred eighty days)</i></b> commencing from the date on which a search is initiated under section 132 or a requisition is made under section 132A and ending on the date on which the books of account or other documents, or any money, bullion, jewellery or other valuable article or thing seized under section 132 or requisitioned under section 132A, as the case may be, are handed over to the Assessing Officer having jurisdiction over the assessee, in whose case such search is initiated or such requisition is made or to whom any money, bullion, jewellery or other valuable article or thing seized or requisitioned belongs to or to whom any books of account or documents seized or requisitioned, pertains or pertain to, or any information contained therein, relates to
					This exclusion of time period is not available in cases of Survey Under Section 133A of the Act. It is understood that owing to the above amendment, <b><i>the time taken by the investigation wing in post search investigation is sought to be excluded.</i></b>

## VOICE OF CA Executive Summary of Finance Bill,2022 - Direct Taxes (\*\*)

Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
					These stipulations will also be applicable where the asset seized or requisitioned belonged to or to any books of account or documents seized or requisitioned, pertains or pertain to other person (not subjected to search).
49	<b>Amendment to Section 153B</b>	Section 153B(4)	Newly inserted	01.04.2022	<p>Since the provisions of Section 153B were applicable wrt searches conducted on or before 31/03/2021, a sunset clause by virtue of following sub-section is proposed:</p> <p><i>“(4) Nothing contained in this section shall apply to any search initiated under section 132 or requisition made under section 132A <b><u>on or after the 1st day of April, 2021</u></b>”</i></p> <p><i>[Assessment in case of Searches after 01/04/2021 are governed by provisions of Section 148 of the Act]</i></p>
49	<b>Amendment to Section 153B</b>	Clause (xi) to Expl. 1 to Sec. 153B	Newly inserted	<b>01.04.2021</b> Retrospective effect	<p>The new clause seeks to provide <b><u>for exclusion of the period of limitation</u></b> for the purpose of assessment, reassessment or recomputation, <b><u>(not exceeding one hundred eighty days)</u></b> commencing from the date on which a search is initiated under section 132 or a requisition is made under section 132A and ending on the date on which the books of account, or other documents or money or bullion or jewellery or other valuable article or thing seized under section 132 or requisitioned under section 132A,</p>



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Clause(S) Of Finance Bill, 2022	Particulars Of Amendments	Section	Amendment / Newly Inserted	Applicable W.E.F.	Brief of Amendment
					<p>as the case may be, are handed over to the Assessing Officer having jurisdiction over the assessee, in whose case such search is initiated under section 132 or such requisition is made under section 132A, as the case may be.</p> <p>This exclusion of time period is not available in cases of Survey Under Section 133A of the Act. It is understood that owing to the above amendment, <b><i>the time taken by the investigation wing in post search investigation is sought to be excluded.</i></b></p> <p>These stipulations will <b><i>NOT BE</i></b> applicable where the asset seized or requisitioned belonged to or to any books of account or documents seized or requisitioned, pertains or pertain to other person (not subjected to search).</p>
73	<b>Amendment to Section 271AAB</b>	clause (a) of Expln.	Amended	<b><i>01.04.2021 With retrospective effect</i></b>	<p>The Section 271AAB provides for penalty in-case of search conducted. The definition of “specified date” in clause (a) Explanation to section 271AAB <b><u><i>to make it also applicable to a notice issued under section 148 in case where search is initiated on or after 1st April, 2021 .</i></u></b></p>