



Ministry of Finance

Finance Ministry issues Taxation and other Laws (Relaxation of Certain Provisions) Ordinance, 2020 today

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In order to give effect to the announcements made by the Union Finance Minister *vide* Press Release dated 24.03.2020, regarding several relief measures relating to statutory and regulatory compliance matters across sectors in view of COVID-19 outbreak, the govt has brought in an Ordinance on 31.03.2020 which provides for extension of various time limits under the Taxation and Benami Acts. It also provides for extension of time limits contained in the Rules or Notification which are prescribed/ issued under these Acts.

It may be noted that the outbreak of Novel Corona Virus (COVID-19) across many countries of the world has caused immense loss to the lives of people, and accordingly, it has been termed as pandemic by the World Health Organisation and various Governments including Government of India. Social distancing has been unequivocally accepted to be the best way to contain its spread, leading to announcement of complete lockdown in the country. Keeping in view the challenges faced by taxpayers in meeting the compliance requirements under such conditions, the Union Finance Minister had announced several relief measures relating to statutory and regulatory compliance matters across sectors in view of COVID-19 outbreak on 24.03.2020 vide a press release.

Some of the important features and time limits which get extended by this Ordinance are as under:-

Direct Taxes & Benami:

- i. Extension of last date of filing of original as well as revised income-tax returns for the FY 2018-19 (AY 2019-20) to 30th June, 2020.
- ii. Extension of Aadhaar-PAN linking date to 30th June, 2020.
- iii. The date for making various investment/payment for claiming deduction under Chapter-VIA-B of IT Act which includes Section 80C (LIC, PPF, NSC etc.), 80D (Mediclaim), 80G (Donations), etc. has been extended to 30th June, 2020. Hence the investment/payment can be made up to 30.06.2020 for claiming the deduction under these sections for FY 2019-20.
- iv. The date for making investment/construction/purchase for claiming roll over benefit/deduction in respect of capital gains under sections 54 to 54GB of the IT Act has also been extended to 30th June 2020. Therefore, the investment/ construction/ purchase made up to 30.06.2020 shall be eligible for claiming deduction from capital gains arising during FY 2019-20.
- v. The date for commencement of operation for the SEZ units for claiming deduction under deduction 10AA of the IT Act has also extended to 30.06.2020 for the units which received necessary approval by 31.03.2020.

- vi. The date for passing of order or issuance of notice by the authorities under various direct taxes & Benami Law has also been extended to 30.06.2020.
- vii. It has provided that reduced rate of interest of 9% shall be charged for non-payment of Income-tax (e.g. advance tax, TDS, TCS) Equalization Levy, Securities Transaction Tax (STT), Commodities Transaction Tax (CTT) which are due for payment from 20.03.2020 to 29.06.2020 if they are paid by 30.06.2020. Further, no penalty/ prosecution shall be initiated for these non-payments.
- viii. Under Vivad se Vishwas Scheme, the date has also been extended up to 30.06.2020. Hence, declaration and payment under the Scheme can be made up to 30.06.2020 without additional payment.

Indirect Taxes:

- i. Last date of furnishing of the Central Excise returns due in March, April and May 2020 has been extended to 30th June, 2020.
- ii. Wherever the last date for filing of appeal, refund applications etc., under the Central Excise Act, 1944 and rules made thereunder is from 20th March 2020 to 29th June 2020, the same has been extended to 30th June 2020.
- iii. Wherever the last date for filing of appeal, refund applications etc., under the Customs Act, 1962 and rules made thereunder is from 20th March 2020 to 29th June 2020, the same has been extended to 30th June 2020.
- iv. Wherever the last date for filing of appeal etc., relating to Service Tax is from 20th March 2020 to 29th June 2020, the same has been extended to 30th June 2020.
- v. The date for making payment to avail of the benefit under Sabka Vishwas Legal Dispute Resolution Scheme 2019 has been extended to 30th June 2020 thus giving more time to taxpayers to get their disputes resolved.

In addition to the extension of time limits under the Taxation and Benami Acts as above, an enabling section has got inserted in the CGST Act, 2017 empowering the Government to extend due dates for various compliances inter-alia including statement of outward supplies, filing refund claims, filing appeals, etc. specified, prescribed or notified under the Act, on recommendations of the GST Council.

PM CARES FUND

4. A special fund "Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)" has been set up for providing relief to the persons affected from the outbreak of Corona virus. The Ordinance also amended the provisions of the Income-tax Act to provide the same tax treatment to PM CARES Fund as available to Prime Minister National Relief Fund. Therefore, the donation made to the PM CARES Fund shall be eligible for 100% deduction under section 80G of the IT Act. Further, the limit on deduction of 10% of gross income shall also not be applicable for donation made to PM CARES Fund.

As the date for claiming deduction u/s 80G under IT Act has been extended up to 30.06.2020, the donation made up to 30.06.2020 shall also be eligible for deduction from income of FY 2019-20. Hence, any person including corporate paying concessional tax on income of FY 2020-21 under new

regime can make donation to PM CARES Fund up to 30.06.2020 and can claim deduction u/s 80G against income of FY 2019-20 and shall also not lose his eligibility to pay tax in concessional taxation regime for income of FY 2020-21.

RM/KMN

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असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 21] नई दिल्ली, मंगलवार, मार्च 31, 2020/चैत्र 11, 1942 (शक)

No. 21] NEW DELHI, TUESDAY, MARCH 31, 2020/CHAITRA 11, 1942 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 31st March, 2020/Chaitra 11, 1942 (Saka)

THE TAXATION AND OTHER LAWS (RELAXATION OF CERTAIN PROVISIONS) ORDINANCE, 2020

No. 2 OF 2020

Promulgated by the President in the Seventy-first Year of the Republic of India.

An Ordinance to provide relaxation in the provisions of certain Acts and for matters connected therewith or incidental thereto.

WHEREAS, in view of the spread of pandemic COVID-19 across many countries of the world including India, causing immense loss to the lives of people, it has become imperative to relax certain provisions, including extension of time limit, in the taxation and other laws;

AND WHEREAS, Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance: -

CHAPTER I

PRELIMINARY

Short title and commencement.	1. (1) This Ordinance may be called the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020.	
	(2) Save as otherwise provided, it shall come into force at once.	
Definitions.	2. (1) In this Ordinance, unless the context otherwise requires, -	
	(a) “specified Act” means-	
	(i) the Wealth-tax Act, 1957;	27 of 1957.
	(ii) the Income-tax Act, 1961;	43 of 1961.
	(iii) the Prohibition of <i>Benami</i> Property Transactions Act, 1988;	45 of 1988.
	(iv) Chapter VII of the Finance (No. 2) Act, 2004;	22 of 2004.
	(v) Chapter VII of the Finance Act, 2013;	17 of 2013.
	(vi) the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015;	22 of 2015.
	(vii) Chapter VIII of the Finance Act, 2016; or	28 of 2016.
	(viii) the Direct Tax <i>Vivad se Vishwas</i> Act, 2020;	3 of 2020.
	(b) “notification” means the notification published in the Official Gazette.	
	(2) The words and expressions used herein and not defined, but defined in the specified Act, the Central Excise Act, 1944, the Customs Act, 1962, the Customs Tariff Act, 1975 or the Finance Act, 1994, as the case may be, shall have the meaning respectively assigned to them in that Act.	1 of 1944. 52 of 1962. 51 of 1975. 32 of 1994.

CHAPTER II

RELAXATION OF CERTAIN PROVISIONS OF SPECIFIED ACT

Relaxation of certain provisions of specified Act.	3. (1) Where, anytime limit has been specified in, or prescribed or notified under, the specified Act which falls during the period from the 20 th day of March, 2020 to the 29 th day of June, 2020 or such other date after the 29 th day of June, 2020 as the Central Government may, by notification, specify in this behalf, for the completion or compliance of such action as-	
	(a) completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action, by whatever name called, by any authority, commission or tribunal, by whatever name called, under the provisions of the specified Act; or	

(b) filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record, by whatever name called, under the provisions of the specified Act; or

43 of 1961.

(c) in case where the specified Act is the Income-tax Act, 1961,-

(i) making of investment, deposit, payment, acquisition, purchase, construction or such other action, by whatever name called, for the purposes of claiming any deduction, exemption or allowance under the provisions contained in-

(I) sections 54 to 54GB or under any provisions of Chapter VI-A under the heading "B.—Deductions in respect of certain payments" thereof; or

(II) such other provisions of that Act, subject to fulfillment of such conditions, as the Central Government may, by notification, specify; or

28 of 2005.

(ii) beginning of manufacture or production of articles or things or providing any services referred to in section 10AA of that Act, in a case where the letter of approval, required to be issued in accordance with the provisions of the Special Economic Zones Act, 2005, has been issued on or before the 31st day of March, 2020,

and where completion or compliance of such action has not been made within such time, then, the time limit for completion or compliance of such action shall, notwithstanding anything contained in the specified Act, stand extended to the 30th day of June, 2020, or such other date after the 30th day of June, 2020, as the Central Government may, by notification, specify in this behalf:

Provided that the Central Government may specify different dates for completion or compliance of different actions.

Provided further that such action shall not include payment of any amount as is referred to in sub-section (2).

(2) Where any due date has been specified in, or prescribed or notified under, the specified Act for payment of any amount towards tax or levy, by whatever name called, which falls during the period from the 20th day of March, 2020 to the 29th day of June, 2020 or such other date after the 29th day of June, 2020 as the Central Government may, by notification, specify in this behalf, and such amount has not been paid within such date, but has been paid on or before the 30th day of June, 2020, or such other date after the 30th day of June, 2020 as the Central Government may, by notification,

specify in this behalf, then, notwithstanding anything contained in the specified Act,-

(a) the rate of interest payable, if any, in respect of such amount for the period of delay shall not exceed three-fourth per cent. for every month or part thereof;

(b) no penalty shall be levied and no prosecution shall be sanctioned in respect of such amount for the period of delay.

Explanation.- For the purposes of this sub-section, “the period of delay” means the period between the due date and the date on which the amount has been paid.

CHAPTER III

AMENDMENT TO THE INCOME-TAX ACT, 1961

Amendment of sections 10 and 80G of Act 43 of 1961. 4. In the Income-tax Act, 1961, with effect from the 1st day of April, 2020,- 43 of 1961.

(i) in section 10, in *clause* (23C), in sub-clause (i), after the word “Fund”, the words and brackets “or the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)” shall be inserted;

(ii) in section 80G, in sub-section (2), in clause (a), in sub-clause (iiia), after the word “Fund”, the words and brackets “or the Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND)” shall be inserted.

CHAPTER IV

AMENDMENTS TO THE DIRECT TAX *VIVAD SE VISHWAS* ACT

Amendment of section 3 of Act 3 of 2020. 5. In section 3 of the Direct Tax *Vivad Se Vishwas* Act, 2020, -

(a) in third column, in the heading, for the figures, letters and words “31st day of March, 2020”, the figures, letters and words “30th day of June, 2020” shall be substituted;

(b) in fourth column, in the heading, for the figures, letters and words “1st day of April, 2020”, the figures, letters and words “1st day of July, 2020” shall be substituted.

CHAPTER V

RELAXATION OF TIME LIMIT UNDER CERTAIN INDIRECT TAX LAWS

Relaxation of time limit under Central Excise Act, 1944. 6. Notwithstanding anything contained in the Central Excise Act, 1944, the Customs Act, 1962 (except sections 30, 30A, 41, 41A, 1 of 1944. 52 of 1962.

Customs Act, 1962, Customs Tariff Act, 1975 and Finance Act, 1994.

46 and 47), the Customs Tariff Act, 1975 or Chapter V of the Finance Act, 1994, as it stood prior to its omission *vide* section 173 of the Central Goods and Service Tax Act, 2017 with effect from the 1st day of July, 2017, the time limit specified in, or prescribed or notified under, the said Acts which falls during the period from the 20th day of March, 2020 to the 29th day of June, 2020 or such other date after the 29th day of June, 2020 as the Central Government may, by notification, specify, for the completion or compliance of such action as-

51 of 1975.
32 of 1994.

(a) completion of any proceeding or issuance of any order, notice, intimation, notification or sanction or approval, by whatever name called, by any authority, commission, tribunal, by whatever name called; or

(b) filing of any appeal, reply or application or furnishing of any report, document, return or statement, by whatever name called,

shall, notwithstanding that completion or compliance of such action has not been made within such time, stand extended to the 30th day of June, 2020 or such other date after the 30th day of June, 2020 as the Central Government may, by notification, specify in this behalf:

Provided that the Central Government may specify different dates for completion or compliance of different actions under clause (a) or clause (b).

CHAPTER VI

AMENDMENT TO THE FINANCE ACT (NO. 2), 2019

7. In section 127 of the Finance Act (No.2), 2019, -

Amendment of
section 127 of
Act 23 of 2019.

(i) in sub-section (1), for the words "within a period of sixty days from the date of receipt of the said declaration", the words, figures and letters "on or before the 31st day of May, 2020" shall be substituted;

(ii) in sub-section (2), for the words "within thirty days of the date of receipt of the declaration", the words, figures and letters "on or before the 1st day of May, 2020" shall be substituted;

(iii) in sub-section (4), for the words "within a period of sixty days from the date of receipt of the declaration", the words, figures and letters "on or before the 31st day of May, 2020" shall be substituted;

(iv) in sub-section (5), for the words "within a period of thirty days from the date of issue of such statement", the words, figures

and letters “on or before the 30th day of June, 2020” shall be substituted.

CHAPTER VII

AMENDMENT TO THE CENTRAL GOODS AND SERVICES TAX ACT, 2017

Insertion of new section 168A in Act 12 of 2017.

8. After section 168 of the Central Goods and Services Tax Act, 2017, the following section shall be inserted, namely:-

Power of Government to extend time limit in special circumstances.

‘168A. (1) Notwithstanding anything contained in this Act, the Government may, on the recommendations of the Council, by notification, extend the time limit specified in, or prescribed or notified under, this Act in respect of actions which cannot be completed or complied with due to *force majeure*.

(2) The power to issue notification under sub-section (1) shall include the power to give retrospective effect to such notification from a date not earlier than the date of commencement of this Act.

Explanation.— For the purposes of this section, the expression “*force majeure*” means a case of war, epidemic, flood, drought, fire, cyclone, earthquake or any other calamity caused by nature or otherwise affecting the implementation of any of the provisions of this Act.’

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.