

# Newsletter - January, 2020

JANUARY, 2020



Dear Readers,

The world seems to be harboring signs of instability - the US assassination of Iranian General Soleimani earlier this month lead to a serious worry about war-like conditions restarting in the Middle East. After a few attacks, things seem to have settled down but it did take an unusual casualty with Iran erroneously bombing a commercial flight, killing all on board. While there are no significant visible signs of conflict, the seeds of instability have been sown.

At the same time, a deadly new strain of the corona virus has erupted in China causing 80 deaths already. The fears are that this may be difficult to contain and treat and has impacted travel and commerce in China. We hope this gets contained and treated soon else it could impact innumerable lives both, medically and economically.

While near term, there is fear from the ramifications of these global events, we must remember that we need to navigate these sensibly, without losing sight of medium and longer term goals for ourselves and our businesses. We have been here a few times in the past - terrorist attacks, problems in the middle east, war and pandemic health problems like SARS and Swine Flu. These are unfortunate events that cause a loss of lives and livelihoods but for those of us not directly impacted by this, we must pray for the unfortunate ones and remember the ancient Indian wisdom that, 'this too shall pass'.

**Regards,**

**Dinesh D. Ghalla**

## DIRECT TAXATION

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### CBDT RELEASES ITR-1 & ITR-4

The Central Board of Direct Taxes (CBDT) has notified the Income Tax Forms – ITR 1 and ITR 4 for A.Y. 2020-2021 as on 03<sup>rd</sup> January 2020<sup>1</sup>. The said forms will be applicable for filing income tax returns for the period April 1, 2019 to March 31, 2020.

To read more, [click here.](#)

### MANDATORY ELECTRONICS MODES OF RECEIVING PAYMENTS

In continuation to our earlier alert on Mandatory Electronic Payment Modes ([Click here](#) to read our earlier alert), it may be noted that the Income Tax Department has recently activated compliance tab on its portal and sent emails to all entities who are required to comply with these specified payment facilities for which response has to be filed by 31st January 2020.

To view our detailed response, [click here.](#)

## INDIRECT TAX (GST)

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### LIQUIDATED DAMAGES

The issue circling around charging of tax in cases of 'liquidated Damages' (LD) under Goods and Service Tax (GST) law has been an issue from the beginning of GST law coming into force as even in the earlier regime under Service tax (ST) the issue had cropped many times. With different school of thoughts giving views for and against charging GST on the said receipt of money.

To read more, [click here.](#)

# FEMA

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## ACQUISITION AND TRANSFER OF IMMOVABLE PROPERTY IN INDIA

India has always been a country with rich human talent who have conquered various positions globally. Indians have settled across the world and most of them continue to or wish to hold / own property in India. Further many of them invest in Indian commercial / residential properties as a good investment option.

To read more, [click here.](#)

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