



**“What’s  
New?”**

May 18, 2020

## ***“Measures for relief to support Indian Economy’s fight against Covid-19”***

In view of COVID-19, the Union Finance Minister has on May 13<sup>th</sup> to 17<sup>th</sup> announced several relief measures for various sectors and relaxations in statutory and compliance matters to support Indian Economy.

In this alert, we have highlighted the key announcements related to direct tax.

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1623601>

## Relaxation in statutory and compliance timelines

- Due date of Tax Audit for FY 2019-20 extended from September 30, 2020 to October 31, 2020
- Due date for filing income tax returns for FY 2019-20 extended from July 31<sup>st</sup> and October 31<sup>st</sup> to November 30, 2020
- Date of income-tax assessments getting time barred on September 30, 2020 extended to December 31, 2020 and those getting time barred on March 31, 2021 will be extended to September 30, 2021
- Date for payment (without additional amount) under "Vivad se Vishwas Scheme" extended till December 31, 2020. Earlier it was June 30, 2020

## Liquidity support through TDS/TCS rate cut

- The rates of Tax Deduction at Source (TDS) for non-salaried specified payments made to residents and rates of Tax Collection at Source (TCS) for the specified receipts shall be reduced by 25% of the existing rates
- This will apply to payment to contractors, professional fees, interest, rent, dividend, commission, brokerage, etc.
- This reduction shall be applicable for the remaining the FY 2020-21 i.e., from May 14, 2020 to March 31, 2021

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