



**"What's
New?"**

June 28, 2021

"Tax exemption and extension in view of COVID-19"

In view of the COVID-19 outbreak the Government issued Press Release to further extend timelines of certain compliances under the Income-tax Act, 1961.

Government also announced tax exemption for expenditure on Covid treatment and ex-gratia received on death due to Covid. More details of these exemptions will be known when circular/ notification will be issued in this regard.

In this alert, we have discussed these revised timelines and tax exemptions.

Source: <https://pib.gov.in/PressReleseDetail.aspx?PRID=1730355>

New tax exemption

- Income-tax exemption will be provided to the taxpayer for financial help received during the FY 2019-20 and subsequent years from their employer and well wishers for meeting of expenses for the treatment of COVID-19. No limit is prescribed for this exemption.
- Income-tax exemption will also be provided to the family members of the taxpayer who died due to COVID-19 and received ex-gratia payment from the employer of such person and/or from other persons.

The exemption shall be allowed without any limit for the amount received from the employer and in case amount received from others, exemption will be limited to aggregate of Rs. 10 lakh only.

Revised timelines

Type of Return/Report/ Statement/ Compliances	Existing due date	Revised due date
Filing of objections to Dispute Resolution Panel (DRP)	If the last date of filing objections is April 1, 2021 or later, objections could be filed with DRP by May 31, 2021 or actual due date, whichever is later	If the last date of filing objections is June 1, 2021 or later, objections could be filed with DRP by August 31, 2021 or actual due date, whichever is later
TDS returns (24Q, 26Q and 27Q) of Quarter 4 of FY 2020-21	June 30, 2021	July 15, 2021
Issuance of TDS Certificate in Form 16	July 15, 2021	July 31, 2021
Claiming exemption under section 54 to 54GB (i.e., various investments to save capital gain tax)	Last date of investment falling between April 1, 2021 to September 29, 2021	Such investment may be made on or before September 30, 2021
Linking of Aadhaar with PAN	June 30, 2021	September 30, 2021
Payment of amount under Vivad se Vishwas Scheme (without additional amount)	June 30, 2021	August 31, 2021
Payment of amount under Vivad se Vishwas Scheme (with additional amount)	-	October 31, 2021
Time Limit for passing assessment and penalty order	June 30, 2021	September 30, 2021

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