



**The Malad
Chamber of
Tax
Consultants**



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MCTC Bulletin

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President's Communiqué



Dear Members,

The Sales Tax Practitioners' Association of Maharashtra has completed its 60 years on 17-11-2011 and in this year President of STPAM is Mr. Hiten Shah our Past President. We wish him all the best and our best wishes to STPAM for completing its 60 years.

We had Diwali Get-together and Saraswati Sanman Samarambh on 13-11-2011. On this occasions 11 students were felicitated by "Bharat D. Vasani Saraswati Sanman Trophy". We are very much thankful to our Past President Shri Manish Chokshi & Shri Dilip Parekh for their donation of ₹ 5,000/- towards Saraswati Sanman Samarambh-2011.

We are also thankful to Dr. Bharat D. Vasani for his donation of ₹ 51,000/- for MCTC website.

On 11-12-2011, we have invited CA Mayur Parekh to deliver lecture on Practical issues of MVAT Audit. I request all the members to attend the meeting and take the maximum benefit of learned speaker.

We are on face book and I request all the members to join us on face book.

With warm regards,

Brijesh Cholera
President

For Query & Submission of forms for Membership / Seminar please contact any of the following Office Bearers

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Life Membership Fees ₹ 1,500 • Ordinary Membership Fees ₹ 300 p.a. • Admission Fees : ₹ 100



SALES TAX UPDATE

By CA Nitin D. Kenia and CA Bharat K. Gosar

Circulars issued by the Commissioner under the M.V.A.T. Act, 2002 and other allied Acts.

Circular No. 15T of 2011 dated 2-11-2011

Due date for uploading of an application for refund in Form 501 for the financial year 2009-10 was 30-9-2011. *Vide* this Circular, the Commissioner has extended the due date up to 31-12-2011.

SERVICE TAX UPDATE

By CA Rajkamal Shah

Vide Notification No. 48/2011 – ST, dated 19-10-2011 it is provided that the words, “received/paid” used in Form ST-3 shall be construed as “received or receivable/paid or payable”, as the case may be, in terms of Point of Taxation Rules, 2011.

The present ST-3 form do not provide for declaring the amounts liable for service tax on accrual basis from 1-4-2011 or 1-7-2011 has been taken care of by the above provision.

The due date for submission of half yearly return for the period April-September, 2011 is extended from 25th October, 2011 to 26th December, 2011.

E-filing of service tax returns is made mandatory for all class of assesseees w.e.f. 1st October, 2011 *vide* Notification No. 43/2011 – ST dated 25-8-2011.

(Order No. 1/2011 – ST, dated October 20, 2011)

DIRECT TAXES – LAW UPDATE

By CA Haresh P. Kenia

- **SECTION 10(45) OF THE INCOME-TAX ACT, 1961 – EXEMPTIONS – UNION PUBLIC SERVICE COMMISSION—ALLOWANCE PAID TO CHAIRMAN/RETIRED CHAIRMAN OR ANY OTHER MEMBER/RETIRED MEMBER – NOTIFIED ALLOWANCE AND PERQUISITE {201 TAXMANN 93 (ST.)}**

Notification No. 49/2011 [F. No. 149/113/2008-SO(TPL)], dated 6-9-2011

The Central Government has notified the following allowances and perquisites for the purposes of the said clause, namely:—

- (1) In case of serving Chairman and members of Union Public Service Commission :—
 - (i) the value of rent free official residence;
 - (ii) the value of conveyance facilities including transport allowance;
 - (iii) the sumptuary allowance;
 - (iv) the value of leave travel concession provided to a serving Chairman or member of the Union Public Service Commission and members of his family;
- (2) In case of the retired Chairman and retired members of the Union Public Service Commission :—
 - (i) a sum of maximum ₹ 14,000 per month for defraying the service of an orderly and for meeting expenses incurred towards secretarial assistance on contract basis;
 - (ii) the value of a residential telephone free of cost and the number of free calls to the extent of 1,500 per month (over and above the number of free calls per month allowed by the telephone authorities).

This notification shall come into force retrospectively w.e.f. 1st day of April, 2008.

- **SECTION 90A OF THE INCOME-TAX ACT, 1961 – DTAA – ADOPTION BY CENTRAL GOVERNMENT OF AGREEMENT WITH TAIPEI {201 TAXMANN 103 (ST.)}**

Notification No. 48/2011 [F. No. 500/02/2001-FTD-II], dated 2-9-2011

The Central Government has adopted the agreement between India-Taipei Association in Taipei and Taipei Economic and Cultural Center in New Delhi for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and has notified that all the provisions of the said agreement shall be given effect to in the Union of India with effect from the 1st day of April, 2012.

- **SECTION 80CCF OF THE INCOME-TAX ACT, 1961 – DEDUCTION – IN RESPECT OF SUBSCRIPTION TO LONG-TERM INFRASTRUCTURE BOND – NOTIFIED LONG-TERM INFRASTRUCTURE BOND {201 TAXMANN 125 (ST.)}**

Notification No. 50/2011 [F. No. 178/43/2011-SO(ITA-1)], dated 9-9-2011

The Long-term Infrastructure Bonds to be issued in the financial year 2011-12 shall be issued by —

1. The Industrial Finance Corporation of India, established under section 3 of the Industrial Finance Corporation Act, 1948 (15 of 1948);
2. The Life Insurance Corporation of India, established under section 3 of the Life Insurance Corporation Act, 1956 (31 of 1956);





3. The Infrastructure Development Finance Company Limited, a company formed and registered under the Companies Act, 1956 (1 of 1956);
4. The India Infrastructure Finance Company Ltd., a company formed and registered under the Companies Act, 1956 (1 of 1956); and
5. A Non-Banking Finance Company classified as an Infrastructure Finance Company by the Reserve Bank of India.

Tenure of the bond - (i) The tenure of the Bond shall be for a minimum period of ten years; (ii) the minimum lock-in period for an investor shall be five years; (iii) after the lock-in period the investor may exit either through the secondary market or through a buyback facility, specified by the issuer in the issue documents at the time of issue; (iv) the bond shall also be allowed as pledge or lien or hypothecation for obtaining loans from Scheduled Commercial Banks, after the said lock-in-period.

• **SECTION 10(15) OF THE INCOME-TAX ACT, 1961 – NOTIFIED TAX-FREE BONDS/DEBENTURES OF PUBLIC SECTOR COMPANIES {202 TAXMANN 1 (ST.)}**

Notification No. 52/2011 [F. No. 178/56/2011-IT(A-1)], dated 23-9-2011

The Central Government has authorised the entities mentioned in column (2) of the table below, to issue, during the financial year 2011-12, tax free, secured, redeemable, non-convertible bonds of rupees 1,000 each in case of public issue and rupees 1,00,000 each in other cases, aggregating to amounts mentioned in column (3) of the said table, subject to the conditions mentioned in the said notification. The tenure of the bonds shall be ten or fifteen years.

S.No.	Entities	Aggregate Amount of Bonds
(1)	(2)	(3)
1.	National Highways Authority of India	₹ 10,000 crores
2.	Indian Railway Finance Corporation Ltd.	₹ 10,000 crores
3.	Housing & Urban Development Corporation Ltd.	₹ 5,000 crores
4.	Power Finance Corporation	₹ 5,000 crores

• **INCOME TAX (SEVENTH AMENDMENT) RULES, 2011 – AMENDMENT IN RULE 114 AND SUBSTITUTION OF FORM 49A {202 TAXMANN 28 (ST.)}**

Notification No. 56/2011 [F. No. 133/48/2011-SO(TPL)], dated 17-10-2011

The CBDT has notified new Forms for making PAN Application. Form 49A – for Individuals who are citizens of India, HUF and other entities which are registered or formed in India and Form 49AA – for Individuals who are not citizens of India and other entities formed or registered outside India.



List of Students felicitated with "Bharat D. Vasani Saraswati Sanman Trophy" on 13-11-2011 at Saraswati Sanman Samarambh

Sr. No.	Name	Exam Passed	% of Marks Obtained
1	YASHASVI HARESH GODHIA	SSC	93.45%
2	RAHUL KRISHNAN	SSC	91.27%
3	JALPA JAGDISH OZA	SSC	90.91%
4	AKSHAT SANJAY MEHTA	SSC	89%
5	MOHIT JAYPRAKASH TIWARI	10th ICSE	87%
6	YASH JAYESH SHAH	HSC	84.33%
7	KUSHAL HITEN SHAH	HSC	83.33%
8	HEMISH HARESH KENIA	HSC	81.17%
9	DIMPLE HITESH THAKKER	CA	—
10	URVASHI SHAILESH MEHTA	M.Sc.	—
11	HIRAL SURESH SHAH	LLB	51.75%

FORTHCOMING EVENTS

4TH STUDY CIRCLE MEETING

Day & Date	Sunday, 11th December, 2011
Time	10.00 a.m. to 12.30 p.m.
Venue	SNDDT College, Liberty Garden, Malad-West, Mumbai-400 064
Speaker	CA Mayur Parekh
Subject	Practical Issues In MVAT Audit



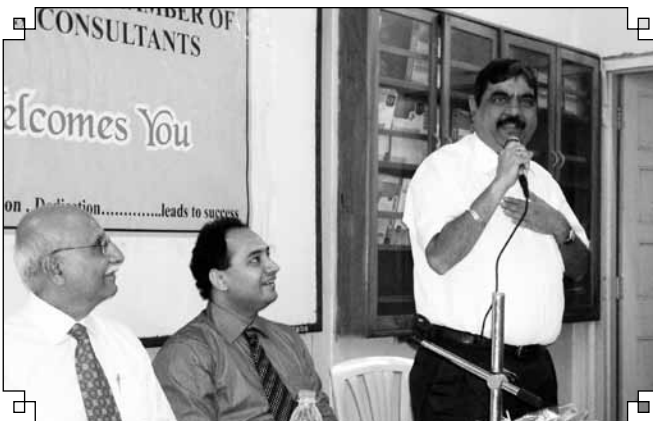
Diwali Get-together & Saraswati Sanman Samarambh on 13-11-2011



From Left to Right : Jayprakash Tiwari, Mr. A. K. Chaterjee (Speaker), Mr. Brijesh Cholera (President), Mr. Sachin Gandhi (Vice President).



Shri Vasudev B. Goyal & Shri Janak Rawal offered Flower bouquet to Mr. Hiten Shah, President of STPAM.



From Left to Right : Mr. A. K. Chaterjee (Speaker), Mr. Brijesh Cholera (President), Dr. Bharat D. Vasani.



Student Felicited at Saraswati Sanman Samarambh.

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