



### **Direct tax relief measures announced by Finance Minister to support Indian Economy's fight against COVID-19**

In continuation of the Prime Minister Mr. Modi's address to the nation yesterday regarding the comprehensive economic package, the Finance Minister in press conference held today announced a slew of relief measures, gist of which is as under:

#### **Pending IT Refunds to be issued immediately**

- Pending income tax refunds to charitable trusts, non-corporate businesses & professionals including proprietorship, partnership, LLPs and cooperatives to be issued immediately.

#### **Withholding tax rates - reduced by 25%**

- The TDS rates for all non-salaried payments to residents, and tax collected at source will be reduced by 25% of specified rates for the remaining period of FY 2020-21.
- Pertinent to note that reduction in TDS rates does not impact ultimate tax liability and the taxpayers will accordingly be liable to pay advance tax/self-assessment tax to avoid enhanced 234B/234C interest obligations.

#### **Extension of due date of filing tax returns**

- Due date of Income Tax Returns for Assessment Year 2020-21 has been extended from July 31, 2020 to November 30, 2020

#### **Due date for furnishing of audit report - Sec 44AB**

- Due date of furnishing of tax audit report under section 44AB has been extended from September 30 to October 31, 2020.

#### **Extension of due date for completion of assessments**

- Due date has been extended for completion of assessments as under:
  - Assessments time barring by September 30, 2020 stand extended to December 31, 2020
  - Assessments time barring by March 31, 2021 stand extended to September 30, 2021

#### **Extension of due date of payment under VSV**

- The due date for making payment without additional amount under the Vivad se Vishwas scheme is extended to Dec 31, 2020.

**Source:**

**Press Release dated May 13, 2020**

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