

Ref: E/125

May 2, 2009

Dear Sir,

I am pleased to bring to your notice, developments under Income Tax & Service Tax as follows:

Income Tax

- CBDT has issued Notification No 31 dated March 25, 2009 bringing out several changes in TDS/TCS compliance. The notification amends various rules w.e.f. 01-04-2009. (Details & Forms Attached)
- Income Tax Rules amended to enforce prompt payment for supplies taken from Micro/Small Enterprises (MSEs) (Copy Enclosed)
- **Extension of Time period for claiming benefit of enhanced depreciation:** The government on Friday, 24th April, 2009 extended the time period for availing higher depreciation benefit on commercial vehicles by six months. The benefit of enhanced depreciation on commercial vehicles has been extended up to 30th September 2009. Now, commercial vehicles acquired on or after 1st January 2009 and put to use before the 1st October 2009 will be eligible for depreciation at the rate of 50 percent. The Central Board of Direct Taxes have issued a notification vide S.O. 989(E) dated 21st April 2009 (Notification No. 37/2009/F.No.142/01/2009-TPL) to this effect, substituting the words "1st day of April 2009" with the words "1st day of October 2009".

Earlier, the benefit was made available for commercial vehicles acquired on or after 1st January 2009 and put to use before the 1st April 2009 vide a notification dated 19th January 2009.

- The CBDT has notified new Income Tax Return Forms for F.Y. 2008-09 & A.Y. 2009-10 vide notification No. 32/2009 (Income Tax 9th Amendments) Rules, 2009.

New ITR Forms are ITR 1, Form ITR 2, Form ITR 3, Form ITR 4, Form ITR 5, Form ITR 6, Form ITR 7, Form ITR 8, and ITR V.

Service Tax

- Service Tax Return Form ST -3 has been amended vide Notification No. 10/2009-ST, dated 17-3-2009

In the Service Tax Rules, 1994, in Form ST-3, after S. No. 7 the following has been inserted, namely,-

"8. If the return has been prepared by a Service Tax Return Preparer (STRP), furnish further details as below:

(a) Identification No. of STRP

(b) Name of STRP

Signatures of Service Tax Return Preparer"

- Delhi High Court strikes down levy of Service Tax on Commercial Renting vide ruling dated 18th. April 2009 AIT-2009-176-HC

For Eastern India Corrugated Box Manufacturers' Association

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Chairman, Excise & Taxation