

Code of Taxation for NGOs (Part II)

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Code of Taxation for NGOs (Part II)

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Session layout

- Key amendments in Finance Acts in past 3 years and implications
- Forms, Returns & Proceedings
- TDS provisions
- Other miscellaneous provisions in Income Tax law applicable to NGOs

Key amendments in Finance Acts in past 3 years and implications

Finance Act 2023 Amendments for charitable entities

- Use of corpus or loans and borrowings permitted as application if replenished/repaid in 5 years
- Retrospective section 11 exemption benefit withdrawn
- Inter charity donation of local funds-85% of such amount only as application
- Exemption benefit not available for Updated IT Return
- Timeline prescribed for filing Form 9A and 10
- No provisional registration for existing entities

- Exit tax in case of non renewal, non re registration or not converting provisional to normal registration
- Incorrect or incomplete information in Form 10A a specified violations inviting cancellation of registration

Finance Act 2022 Amendments for charitable entities

A. Monitoring and effective implantation

1. Proper book of accounts to be maintained for 12AB and 10(23C) entities-form, manner and place as may be prescribed.
2. Power to cancel registration for specified violations i.e. spent income for other than object, business income not incidental and no separate books, private religious purpose, particular religious community/caste, violation of other laws, benefits u/s 13 not reasonable, section 11(5) non-compliance, conditions not complied as specified in registration certificate (Form 10AC). Reference to be made by AO to CIT/PCIT who shall pass order cancelling or refusing within 6 months from the quarter in which notice was issued.

B. Consistency in 2 regimes with a view to have one regime in future

1. Accumulation of income-not spent in 5 years or taxed in 5th year itself, not 6th year and applicable to 10(23C) entities also. Delay due to court injunction etc, the period will be excluded in calculating the accumulation period. Repurposing of accumulation can be permitted by the Department.
2. IT return and books of accounts, s.115TD applicable also for 10(23C) entities .
3. Govt is looking at collapsing the two regimes of registration

C. Clarity

1. Tax @30% (S. 115BBI) on denied income for 13(1)© and 13(1(d) violations. 2. Penalty for providing unreasonable benefits to specified persons- s 271AAE penalty equal to amount

of benefit in first year and twice for subsequent year

2. Provision cannot be claimed as application, actual spend/payment only is application.
3. VC received by religious institutions for repair and maintenance of religious institutions treated as corpus and not treated as income even without specific direction from the donor from FY 20-21 but should be invested in specified modes
4. Newly inserted section 13(10) & 13(11)-Computation of taxable income due to specified non compliance i.e. books of accounts, non filing ITR, Audit report, commercial receipts in excess of 20%. Claim admissible revenue expenditure from income subject to expenditure not from corpus, loans and borrowings, depreciation if cost claimed, donation to other organisations and after disallowing 40A(3) and 40(a)(ia) cases. Beneficial since entire income is not taxed

Finance Act 2021 Amendments for charitable entities

1. Use of Corpus no longer application : Application for charitable or religious purposes from the corpus fund shall not be treated as application of income for charitable or religious purposes. Provided that the amount not so treated as application, or part thereof, shall be treated as application for charitable or religious purposes in the previous year in which the amount, or part thereof, is invested or deposited back, into one or more of the forms or modes specified in sub-section (5) maintained specifically for such corpus, from the income of that year and to the extent of such investment or deposit.
2. Exclusion of Corpus Fund from Income (conditional): Any Voluntary Contribution made with a specific direction that they shall form part of the corpus of the trust or institution shall not be included in the total income of such trust or institution unless such voluntary contribution is invested or deposited in one or more of the forms or mode specified in the act.
3. Use of Loans / Borrowings no longer applies except during repayment : Any expenditure made for charitable or religious purpose out of loan or borrowing shall not be treated as application for charitable or religious purpose. Provided such amount shall be treated as

application for charitable or religious purposes at the time of repayment of such loan.

4. Carry forward of Losses not allowed: Calculation of income required to be applied or accumulated during the previous year shall be made without any set off or deduction or allowance of any excess application of any of the year preceding the previous year

Income Tax Return & Forms

In following sequence to file:

- Form 9A/ Form 10 (Deemed application/Accumulation)
- Form 10B/10BB (Audit Report)
- ITR-7 (Income Tax Return)

Form 9A & Form 10:

Section 11 of the Income Tax Act 1961 provides two options when the threshold of 85% application is not met by a charitable institution.

Section 11(1): be accumulated for application in the year of receipt/next year. {Form 9A}

Form 9A can be filled in two situations:

- For non-receipt of the income
- Any other reason (the reason for shortfall needs to be communicated in writing in form)

Section 11(2):- accumulated or set apart for specific purpose for a maximum period of 5 years. {Form No. 10}. Pass Board resolution for the purpose and period of accumulation and deposited in 11(5) investment mode.

Both Forms to be filed before filing of Form 10B and ITR-7 to be filed Online in prescribed application format.

Due date-2 months before due date for ITR filing although CBDT circular of May 2023 has relaxed as on or before due date of ITR filing.

Audit Report Form 10B/10BB

As per IT Rules 2023, eligibility for Audit Report in 10B is as follows:

- If the total income of the trust or institution exceeds Rs.5 crore during the previous fiscal year.
- In case a trust or institution receives any amount of foreign contribution.
- In case any institution or trust has used any amount of its income outside India in the previous year.

Applicable uniformly for 12A and 10(23C) entities If 10B not applicable, 10BB to be used in very elaborate form specially 10B as against simple form earlier.

Income Tax Return (Form-ITR 7)

- Charitable institutions u/s 11 have three types of income: AI (Aggregate Income), VC (Voluntary Contribution) and CG (Capital Gains) not the 5 heads of income
- ITR 7 covers all types of charitable institutions-charitable and religious, political parties, scientific research institutions, Univ, colleges
- S.139(4A) for 12A entities. 2 parts-Part A-General Part B-Total income and tax computation
- Details of registration or approval under Income Tax Act to be correctly selected in Part A General. The Details of other registration (80G and FCRA).
- Schedule I: amount set aside/accumulated for previous years
- Schedule J : Details of investments.
- Schedule VC : Voluntary Contribution (grants/donations/corpus)
- Schedule AI : Aggregate of Income excluding Voluntary Contribution (All incidental income from activities and interest income)

- Schedule ER Revenue Expenses and sources to meet ER (Establishment & Objects)
- Schedule EC Capital Expenses and sources to meet EC
- Total of “Source of Funds” under ER and EC Schedule match with the total expenditure.
- Schedule TI and TTI-Computation of income and computation of taxes
- Details of all bank accounts to be reported
- Expenditure incurred outside India, Provisions to be excluded
- The Registered Email ID and Phone Number updated on Income Tax Portal should be of organisation.
- Verify the Income Tax Portal and check the status of returns submitted in Past (Refunds / Outstanding Demands).

IT proceedings

1. Notice u/s 142(1)-filed return but AO needs more docs/info or return not filed
2. Intimation u/s 143(1)-assessment of ITR by CPC to determine demand/refund
3. Notice u/s 143(1A)- Based on ITR filed, intimation for adjustment for mismatch identified during centralised processing in Form 26AS
4. Notice u/s 143(2)-when there is discrepancy, notice for scrutiny assessment but processing of return u/s143(1) mandatory.
5. Notice u/s 143(3)-Income Tax Assessment-Scrutiny
6. Notice under Section 148A-income escaping assessment (3 years from end of AY in case of less than 50 lakhs and upto 10 years if more than 50 lakhs)
7. Notice u/s 245-set off of current year refund against previous demand
8. Penalty u/s 270(A) for concealment/under reporting of income in addition to tax
9. Intimation u/s 154 for rectification of mistakes by AO

Objectives of TDS

- Regular Inflow of Revenue for Government
- Checking of TAX EVASION
- Widening of TAX Base

TDS Sections

- Section 192 (Salary)
- Section 194 C (Contractual Payment)
- Section 194 J (Fees for Professional & Technical Payment)
- Section 194 I (Rent)

192 – TDS on Salary

- Deduct at rate of Income Tax computed on the basis of rates in force
- Rates in force for person other than Senior Citizens

Income Tax Slab	Tax Rate
Up to ₹2,50,000*	Nil
₹2,50,001 to ₹5,00,000	5% of total income exceeding ₹2,50,000
₹5,00,001 to ₹10,00,000	₹12,500 + 20% of total income exceeding ₹5,00,000
Above ₹10,00,000	₹1,12,500 + 30% of total income exceeding ₹10,00,000

192 – TDS on Salary

- Deduct at rate of Income Tax computed on the basis of rates in force
- Rates in force for person other than Senior Citizens

Particulars	Amount (Rs.)
Salary	6,50,000
Less: Standard Deduction	- 50,000

Gross Total Income	6,00,000
Less: Deduction under Section 80C	- 1,00,000
Total Income	5,00,000
Income Tax (@ 5% from Rs 2.5 to 5 lakh)	12,500
Less: Rebate u/s 87A	- 12,500
Net Tax Payable	Nil

New Tax Regime (Option available)

- Rates in force:
- Any individual opting to be taxed under the new tax regime from FY 2020-21 onwards No exemptions and deductions available such as HRA, most Chapter VI-A deductions (80C,80D), Interest on housing loan etc. Standard decurion allowed.

Income Tax Slab	Tax Rate
Up to Rs 3 lakh	Nil
Rs 3 lakh to Rs 6 lakh	5% of total income exceeding ₹2,50,000
Rs 6 lakh to Rs 9 lakh	10%
Rs 9 lakh to Rs 12 lakh	15%
Rs 12 lakh to Rs 15 lakh	20%
Rs 15 lakh and above	30%

194 C – Payments to Contractors

Tax is to be deducted as source:

- On the invoice value excluding the value of material, if such value is mentioned separately in the invoice; or
- On the whole of the invoice value, if the value of the material is not mentioned separately in the invoice.

TDS Rate:

- 1% where payment is to an individual / HUF
- 2% where the recipient is any other person.

Limit:

- If the credit or payment in pursuance of the single contract does not exceed Rs. 30,000 in FY no deduction shall be made at source.
- However, if the aggregate of all amounts paid / credited or likely to be credited exceeds in F.Y. Rs. 1,00,000 then tax at source is to be deducted.

Section 194 C includes:-

- Advertisement
- Broadcasting and telecasting including production of programmes for such broadcasting and telecasting
- Catering
- Manufacturing or supplying a product according to the requirement or specification of a customer by using material purchased from such customer
- Engagement of manpower on contract
- Carriage of goods or passengers by any mode of transport other than by railways, - NO TDS of transport operators if PAN is provided and vehicles upto 10

194 J – TDS on Fees for Professional or Technical Services

Particulars	TDS Rate
Professional Fees	10%
Technical Fees	2%
Payment to call centre operator (Domestic Co. only)	2%

Threshold Exemption Limit: Rs. 30,000 /- in a financial year.

Professional & Technical services

- “Professional services” means services rendered by a person in the course of carrying on legal, medical, engineering or architectural profession or the profession of accountancy or technical consultancy or interior decoration or advertising or such other profession as is notified by the Board for the purposes of section 44AA or of this section
- “Fees for technical services” means any consideration (including any lump sum consideration) for the rendering of any managerial, technical or consultancy services (including the provision of services of technical or other personnel) but does not include consideration for any construction, assembly, mining or like project undertaken by the recipient or consideration which would be income of the recipient chargeable under the head “Salaries”.

194 I – Rent

Particulars	TDS Rate
Renting of machinery/plant/equipment	2%

Renting of land or building (including factory building) or land appurtenant to a building (including factory building) or furniture or fittings	10%
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Threshold Exemption Limit: Rs. 2,40,000 in a financial year.

TDS Points to remember:

- Tax is to be deducted at the time of Credit or at the time of payment whichever is earlier, at the prescribed rate as the case maybe
- In case of salary, TDS is on estimated Income
- Section 206 AA: - Deductee furnish PAN number to the deductor and mention in correspondence, bills, vouchers and other documents. Tax is to be deducted at 20% if PAN is not mentioned by the deductee.

Monthly Deposit of TDS:

- By 7th of the following month
- Incase of TDS Deducted in Month of March – to be deposited by 30th April.

TAN – Tax Deduction & Collection Account Number

- The Person responsible for deducting tax at source has to apply for TAN in FORM NO 49B within one month from the end of the month in which tax is deducted for the first time.

Interest on late deduction/deposit of TDS

- Interest for Late Deduction of TDS is 1% every month or part of a month till the date of deduction
- Interest for Late Deposit of TDS is 1.5% every month or part of a month till the date of deposit.

Issue of Form 16/16A-TDS certificate

Deductors shall issue TDS certificate in Form No 16 / 16A generated through TIN central system and downloaded from the TIN website (TRACES) with a unique TDS certificate number in respect of sums deducted on or after the 1st April 2012 under any of the provision of Chapter XVII-B.

Filing of Quarterly TDS Return

Period	Form 24Q (Salary)	Form 26Q (Non Salary)
April – June	31st July	31st July
July – September	31st October	31st October
October – December	31st January	31st January
January – March	31st May	31st May

Penalty in respect of non filing or incorrect filing of quarterly TDS return:

- Section 234 E :- Fee for default in furnishing quarterly return of TDS
- 200 Rs Per day till the time failure continues or total amount of TDS deducted during the quarter (Whichever is less)
- This is in addition to the penalty u/s 271H
- Section 271H :- Penalty for Incorrect information or failure to furnish quarterly return etc.

Penalty u/s 271H:

The penalty shall be a minimum of Rs. 10,000/- and it can be extended up to Rs. 1,00,000/-
This penalty is mandatory in nature and cannot be waived.

Anonymous donation-Section 115BBC of IT Act

Accreted Income or Exit Tax-Section 115TD of IT Act

- S.115BBC

1. For charitable trust, if the name and address of the donor is not known, it is an anonymous donation.
2. Not applicable to Religious Trust or charitable cum religious trust except where the donation is for an educational or medical institution
3. Tax payable 30% plus SC and Edu cess. Threshold: Rs.1 lakhs or 5% of total donation received whichever is higher.

- S.115TD-1.6.2016

1. Accreted income is excess of fair market value of assets over total liabilities of Trust
2. Conditions when 115TD triggered:
 - 12AA registration cancelled
 - Modification of objects not applied for regn/not in line with condition of registration and application rejected
 - Merged into an entity not with similar objects and not registered under 12AA
 - Failure to transfer assets upon dissolution to another 12AA/10(23C) entity within 12 months
 - Newly added: non registration, non renewal, non conversion of provisional to regular registration wef 1.10.23
3. Accreted income is taxed at MMR

Section 269ST: Receipt of cash donation

Finance Act 2017 restricts a person receiving Rs. 2 lakh or more in cash from a person in aggregate in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion from a person. The contravention of such provision shall attract a penalty under section 271DA i.e. equivalent to the amount so received by the recipient.

In case of receipt of cash donations by a trust (may be charitable or religious) in contravention of section 269ST, then relevant trust shall attract penal consequences.

Section 206AB of IT Act wef 1.7.2021

- TDS rate if the amount is paid/ credited to a specified person, being highest of the below rates
 - At twice the rate specified in the relevant provision of the Act; or
 - Twice the rate /rates in force; or
 - At the rate of 5%.
- A Specified Person is one who has not filed the Income Tax Return (ITR) for the preceding year immediately before the previous year in which tax is required to be deducted and the aggregate TDS/TCS is Rs. 50,000 or more in each of the previous year.
- The time limit of ITR filing under sub-section (1) of Section 139 is expired for calculating non filing for previous year
- Not applicable for certain sections-mainly Section 192 and others
- Compliance check functionality created by Department for confirming specified person

194 Q-TDS on purchase of goods wef 1st July 2021

App lica ble to	Buy er/P urc has er
With effe ct fro m	01- 07- 202 1

When Deducted or collected	Payment or credit, whichever is earlier including for advance payment made
Rate of TDS /TCS	0.10 %
If PAN not available	5%

Trig geri ng poin t	Turn over /Gro ss Rec eipt s/Sa les fro m the busi ness of BUY ER sho uld exc eed Rs.1 0 cr duri ng prev ious year (Exc ludi ng GST)
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Purchase of goods of aggregate value exceeding Rs.50 Lakhs in P.Y. (The value of goods includes GST)

When to deposit/collect	Tax so deducted shall be deposited with government by 7th day of subsequent month
Quarterly statement to be filed	26Q

Section 206C(1)-TCS on NTFP items

1. Seller collects from buyer tax on purchase value of specific goods:

1. Tendu leaves-5%

2. Timber under or other than lease: 2.5%
3. Any other forest produce other than a and b: 2.5%

2. TCS u/s. 206C(1) shall not be required to be collected from a resident buyer, if the goods are to be utilised for the purpose of manufacturing, processing or producing articles or things or for the purposes of generation of power and not for trading purposes.

Section 194R-TDS on perquisites/benefits made to service provider

A person, who is responsible for providing any benefit or perquisite to a resident, to deduct tax at source @ 10% of the value or aggregate of value of such benefit or perquisite. The benefit or perquisite may or may not be convertible into money but should arise either from carrying out of business or profession, by such resident.

If the perquisite/benefit is estimated to be less than Rs.20k in a FY, no TDS is to be deducted.

Please note:

- If the Invoice of expenses incurred is in the name of ultimate service recipient – No TDS u/s 194R
- If the Invoice of expenses incurred is in the name of Service Provider –TDS to be deducted u/s 194R

Effective from 1st July 2022

Lower Tax deduction Certificate (LTDC)

- 197. (1) Where income-tax is required to be deducted at the time of credit or, as the case may be, at the time of payment at the rates in force under the provisions of sections 192, 193, 194, 194A, 194C, 194D, 194G, 194H, 194-I, 194J, 194K, 194LA and 195, the Assessing Officer is satisfied] that the total income of the recipient justifies the deduction of income-tax at any lower rates or no deduction of income-tax , as the case may be, the Assessing] Officer shall, on an application made by the assess on this behalf, give to him such a certificate as may be appropriate.
- (2) Where any such certificate is given, the person responsible for paying the income shall, until such certificate is cancelled by the Assessing] Officer, deduct income-tax at the rates specified in such certificate or deduct no tax, as the case may be.

FAQ: Tax Deducted at Source (TDS)

Disclaimer: This document is intended solely for educational purposes. The content herein is subject to change based on evolving finance trends and any relevant rulings by the Government of India. Readers are advised to consult with qualified professionals for specific guidance related to their individual circumstances.

Q1. What is Tax Deducted at Source (TDS)?

For quick and efficient collection of taxes, the Income-tax Law has incorporated a system of deduction of tax at the point of generation of income. This system is called “Tax Deduction at Source”, commonly known as TDS. Under this system tax is deducted at the origin of the income. Tax is deducted by the payer and is remitted to the Government by the payer on behalf of the payee.

The provisions of deduction of tax at source are applicable to several payments such as salary, interest, commission, brokerage, professional fees, royalty, contract payments, etc. In respect of payments to which the TDS provisions apply, the payer has to deduct tax at source on the payments made by him and he has to deposit the tax deducted by him to the credit of the Government.

Q2. What are the payments covered under the TDS mechanism and the rates for deduction of tax at source?

Tax is deductible at source at the rates given in table below :“ Rate of TDS for FY 2023-24”. If PAN of the deductee is not intimated to the deductor, tax will be deducted at source by virtue of section 206AA either at the rate given in the table or at the rate or rates in force or at the rate of 20 per cent, whichever is higher. Further, under section 94A(5), if payment or credit is made or given to a

deductee who is located in a notified jurisdictional area, tax is deductible at the rate given in the table or at the rate of 30 per cent, whichever is higher. TDS rates for the financial year 2023-24 are given in the table at end of the FAQ

Q3. Is there a minimum amount up to which tax is not deducted?

The Income-tax Act has prescribed a different threshold limit for deduction of tax at source under various sections. If the expenditure incurred/payment made during the year is below the threshold limit, then there is no requirement to deduct tax at source.

Q4. Can the payee request the payer not to deduct tax at source and to pay the amount without deduction of tax at source?

A payee can approach to the payer for non-deduction of tax at source but for that they have to furnish a declaration in Form No. 15G/15H, as the case may be, to the payer to the effect that the tax on his estimated total income of the previous year after including the income on which tax is to be deducted will be nil. Form No. 15G is for the individual or a person (other than company or firm) and Form No. 15H is for the senior citizens. For threshold beyond 15G/H, the entity can apply for nil or concessional rate of TDS as per Section 197 of the Act.

Q.5 What are the consequences a deductor would face if he fails to deduct TDS or after deducting the same fails to deposit it to the Government's account?

A deductor would face the following consequences if he fails to deduct TDS or after deducting the same fails to deposit it to the credit of Central Government's account:-

a) Disallowance of expenditure

As per section 40(a)(i) of the Income-tax Act, any sum (other than salary) payable outside India or to a non- resident, which is chargeable to tax in India in the hands of the recipient, shall not be allowed to be deducted if it is paid without deduction of tax at source or if tax is

deducted but is not deposited with the Central Government till the due date of filing of return.

However, if tax is deducted or deposited in subsequent year, as the case may be, the expenditure shall be allowed as deduction in that year.

Similarly, as per section 40(a)(ia), any sum payable to a resident, which is subject to deduction of tax at source, would attract 30% disallowance if it is paid without deduction of tax at source or if tax is deducted but is not deposited with the Central Government till the due date of filing of return.

However, where in respect of any such sum, tax is deducted or deposited in subsequent year, as the case may be, the expenditure so disallowed shall be allowed as deduction in that year.

As per Section 58(1A) (as amended with effect from the assessment year 2018-19), the provisions of section 40(a)(ia) and 40(a)(iia) shall also apply in computing the income chargeable under the head "Income from other sources".

b) Levy of interest

As per section 201 of the Income-tax Act, if a deductor fails to deduct tax at source or after the deducting the same fails to deposit it to the Government's account then he shall be deemed to be an assessee-in-default and liable to pay simple interest as follows:-

1. at one per cent for every month or part of a month on the amount of such tax from the date on which such tax was deductible to the date on which such tax is deducted; and
2. at one and one-half per cent for every month or part of a month on the amount of such tax from the date on which such tax was deducted to the date on which such tax is actually paid.

1. Levy of Penalty

Penalty of an amount equal to tax not deducted or paid could be imposed under section 271C.

Q6. Under what circumstances a deductor would not be deemed as an assessee-in-default even after he fails to deduct TDS or after deducting the same fails to deposit it to the Government's account?

A deductor who fails to deduct the whole or any part of the tax on the sum paid to a resident or on the sum credited to the account of a resident shall not be deemed to be an assessee-in-default in respect of such tax if such resident—

1. has furnished his return of income under section 139;
2. has taken into account such sum for computing income in such return of income; and
3. has paid the tax due on the income declared by him in such return of income, and the deductor furnishes a certificate to this effect in Form No.26A from a chartered accountant.

Q7. w.e.f. 01-09-2019, will the sum paid to non-resident be covered by above provisions?

In such a case, the payee can claim the refund of the entire/excess amount of TDS (as the case may be) by filing the return of income.

Q8. If the payer does not deduct tax at source, will the payee face any adverse consequences by means of action taken by the Income-tax Department?

It is the duty and responsibility of the payer to deduct tax at source. If the payer fails to deduct tax at source, then the payee will not have to face any adverse consequences. However, in such a case, the payee will have to discharge his tax liability. Thus, failure of the payer to deduct tax at source will not relieve the payee from payment of tax on his income.

Q9. What are the duties of the person deducting tax at source?

Following are the basic duties of the person who is liable to deduct tax at source.

- He shall obtain Tax Deduction Account Number and quote the same in all the documents pertaining to TDS.
- He shall deduct the tax at source at the applicable rate.
- He shall pay the tax deducted by him at source to the credit of the Government (by the due date specified in this regard*).
- He shall file the periodic TDS statements, i.e., TDS return (by the due date specified in this regard*).
- He shall issue the TDS certificate to the payee in respect of tax deducted by him (by the due date specified in this regard*).

Q10. How can I know the quantum of tax deducted from my income by the payer?

To know the quantum of the tax deducted by the payer, you can ask the payer to furnish you a TDS certificate in respect of tax deducted by him. You can also check Form 26AS from your e-filing account at <https://www.incometax.gov.in/iec/foportal>

You can also use the “View Your Tax Credit” facility available at www.incometaxindia.gov.in

Q.11 At what rate will the payer deduct tax if a taxpayer doesn't furnish a return of income?

As per section 206AB, the tax shall be deductible at the higher rates prescribed under this provision if the following conditions are satisfied:

1. Deductee has not filed the return of income for assessment years relevant to the previous year immediately prior to the previous year in which tax is required to be deducted;
2. The due date to file such return of income, as prescribed under section 139(1), has expired; and
3. The aggregate amount of tax deducted and collected at source is Rs. 50,000 or more in said previous years.

Tax is required to be deducted at higher rates in respect of every sum or income or amount from which tax is deductible under any provision of Chapter XVII-B except the sum or income or amount

on which tax is deductible under any of the following provisions:

However, a non-resident person who does not have permanent establishment in India or a person who is not required to furnish return of income and is notified by the Central Government shall be out of the scope of deductee for the purpose of section 206AB.

Q12. What to do if the TDS credit is not reflected in Form 26AS?

Non-reflection of TDS credit in Form 26AS can be due to several reasons like non-filing of TDS statement by the payer, quoting incorrect PAN of the deductee in the TDS statement filed by the payer. Thus, in case of non-reflection of TDS credit in Form 26AS, the payee has to contact the payer for ascertaining the correct reasons for non-reflection of the TDS credit in Form 26AS.

Q13. At what rate will the payer deduct tax if I do not furnish my Permanent Account Number to them?

As per section 206AA, if you do not furnish your Permanent Account Number to the payer (i.e., deductor), then the deductor shall deduct tax at the higher of the following rates :

- At the rate specified in the relevant provision of the Act.
- At the rate or rates in force, i.e., the rate prescribed in the Finance Act.
- At the rate of 20%.

However, the provisions of section 206AA shall not apply in the following cases:-

In respect of payment of interest on long-term bonds to a non-resident under section 194LC.

Where deductee being a non-resident or a foreign company, shall in respect of payments in the nature of interest, royalty, fees for technical services and payments on transfer of any capital asset, furnish the following details and documents to the deductor, namely:

- Name, e-mail id, contact number;
- Address in the country or specified territory outside India of which the deductee is a resident;

- A certificate of his being resident in any country or specified territory outside India from the Government of that country or specified territory if the law of that country or specified territory provides for issuance of such certificate;
- Tax Identification Number of the deductee in the country or specified territory of his residence and in case no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

Q14. I do not have a PAN. Can I furnish Form 15G/15H for non-deduction of TDS from interest?

Ans. As per section 206AA, a declaration in Form No. 15G or Form No. 15H is not a valid declaration, if it does not contain PAN of the person making the declaration. If the declaration is without the PAN, then tax is to be deducted at higher of following rates :

☐ At the rate specified in the relevant provision of the Act.

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☐ At the rate or rates in force, i.e., the rate prescribed in the Finance Act.

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☐ At the rate of 20%.

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Q15. Would I face any adverse consequences if instead of depositing TDS in the government's account, I use it for my personal needs?

Yes, failure to remit tax deducted by you in the government's account within stipulated time-limit would attract interest, penalty and rigorous imprisonment of up to seven years.

Q16. I have not received a TDS certificate from the deductor. Can I claim TDS in my return of income?

Yes, the tax credit in your case will be reflected in your Form 26AS and, hence, you can check Form 26AS and claim the credit of the tax accordingly. However, the claim of TDS to be made in your return of income should be strictly as per the TDS credit being reflected in Form 26AS. If there is

any discrepancy in the tax actually deducted and the tax credit being reflected in Form 26AS then you should intimate the same to the deductor and should reconcile the difference. The credit granted by the Income-tax Department will be as per Form 26AS.

Q17. If I buy any land/building then is there any requirement to deduct tax from the sale proceeds to be paid by me to the seller?

Yes, Finance Act, 2013 has introduced section 194-IA which provides for deduction of tax at source in case of payment of sale consideration of immovable property (other than rural agricultural land) to a resident. Section 194-IA is not applicable if the seller is a non-resident. Tax is to be deducted @ 1%. No tax is to be deducted if the consideration is below Rs. 50,00,000. If the sale consideration exceeds Rs. 50,00,000, then tax is to be deducted on the entire amount and not only on the amount exceeding Rs. 50,00,000.

If the seller is a non-resident then tax is to be deducted under section 195 and not under section 194-IA. Thus, in case of purchase of property from non-resident TDS provisions of section 195 will apply and not of section 194-IA

Q18. What is the difference between PAN and TAN?

PAN stands for Permanent Account Number and TAN stands for Tax Deduction Account Number. TAN is to be obtained by the person responsible to deduct tax, i.e., the deductor. In all the documents relating to TDS and all the correspondence with the Income-tax Department relating to TDS one has to quote his TAN.

PAN cannot be used for TAN, hence, the deductor has to obtain TAN, even if he holds PAN.

However, in case of TDS on purchase of land and building (as per section 194-IA) as discussed in previous FAQ, the deductor is not required to obtain TAN and can use PAN for remitting the TDS.

Further in case of TDS on rent (as per section 194-IB) TDS on payment of certain sums by Individuals or HUFs (as per section 194M), and TDS on payment made for transfer of virtual digital asset by specified person (as per section 194S), the deductor can use PAN instead of TAN for remitting TDS?

Q19. FAQs from TDS – Centralized Processing Cell

To see the FAQs from TDS – Centralized Processing Cell, please visit

<http://contents.tdscpc.gov.in/en/top-faq.html>

Q20. What is the amount of TDS if the property belongs to an NRI?

Yes, u/s 195. In case you have any doubt regarding the amount on which TDS is to be made, you may file an application with the officer handling non-resident taxation who will pass an order determining the TDS to be made. Alternatively, if the recipient feels that the TDS is more he may file an application with his Assessing Officer for non-deduction.

Q21. Is the limit of Rs. 50,000 per month under section 194-IB applicable to each of the co-owners separately in case rent is paid individually to co-owners?

As per the section 194IB, an individual or HUF whose books of account are not liable for audit u/s 44AB, paying rent to a resident exceeding Rs. 50,000 per month or part of the month for land or building, liable to deduct tax @ 5% at the time of credit of rent, for the last month of the previous year or last month of the tenancy in case property is vacated during the year, as the case may be, to the account of the payee or at the time of payment thereof in cash or by cheque or draft or any other mode, whichever is earlier.

Therefore, a limit of Rs. 50,000 is applicable for each co-owner separately, if rent is paid to co-owners of the property.

Q22. Who is required to file Form 15CA ?

As per Rule 37BB, any person responsible for paying to a non-resident, not being a company, or to a foreign company, any sum chargeable to tax under the provisions of Income tax Act, 1961, shall furnish such information in Form 15CA and Form 15CB:

- In case the payment or the aggregate of such payments made during the financial year does not exceed Rs. 5 lakh rupees, such information is to be furnished in Part A of Form No.15CA.
- In case the payment exceeds Rs. 5 lakh such information is required to be furnished in Part B of Form No. 15CA after obtaining a certificate from the Assessing Officer under section 197; or an order from the Assessing Officer under sub-section (2) or sub-section (3) of section 195.
- In case the payment exceeds Rs. 5 lakh such information is required to be furnished in Part C of Form 15CA after obtaining certificate in Form No.15CB from an accountant as defined in the Explanation to sub-section (2) of section 288.
- In case the payment other than the payment referred in sub-rule (3) of Rule 37BB which is not chargeable to tax under the provisions of Income tax Act, 1961, such information is required to be furnished in Part D of Form No. 15CA.

Q23. Can TCS be collected on an amount inclusive of GST?

As per section 206C (1) every person, being a seller shall, at the time of debiting of the amount payable by the buyer to the account of the buyer or at the time of receipt of such amount from the said buyer in cash or by the issue of a cheque or draft or by any other mode, whichever is earlier, collect from the buyer. Hence, amount debited to the account of buyer or payment shall be received by seller inclusive of VAT/ excise/GST. TCS to be collected inclusive of GST.

Q24. How much TDS will be deducted in case of payment of remuneration to the company's director?

Sec 194J levies TDS on technical and professional services. As per the provisions of the Companies Act, the director of the company is also a manager and thus, a technical personnel. As per Section 194J(1)(ba), any payment made to director in the nature of sitting fees, remuneration or any other sum other than those on which tax deductible under section 192 is to be considered for deduction of tax at source @ 10% under section 194J. Further, there is no threshold limit for deduction of tax at source.

Q25. What is the due date for depositing TDS?

7th of the subsequent month. For the month of March, it is 30th April.

Q26. How is TDS deposited?

TDS is deposited online using challan ITNS 281 on the Government portal

Q27. What is the due date for filing of TDS returns?

Period	Form 24Q (Salary)	Form 26Q (Non salary)
April - June	31st July	31st July
July - September	31st October	31st October
October - December	31st January	31st January
January - March	31st May	31st May

Rate of TDS for FY 2023-24

Section	Nature of transaction	Threshold Limit (Rs)	TDS Rate
192	Salary	Basic exemption limit	As per applicable slab rates
192A	Premature Withdrawal of EPF	50,000	10% rate of TDS if PAN is provided. If EPF withdrawal is made without PAN, the applicable rate is 20%.

Section	Nature of transaction	Threshold Limit(Rs)	TDS Rate
193	Interest on securities	2500	10% In the 2023 budget, the exemption of TDS on interest from listed debentures has been removed. This means tax must now be deducted on the interest earned from these securities.
194	Dividend	5,000	10%
194A	Interest on deposit in a bank or post office	Senior Citizens- 50,000 Others- 40,000	10% for both
194A	Interest from other sources except interest on securities and interest on bank deposits.	5,000	10%
194B	Income from lottery winnings, puzzles, crosswords, card games, etc.	10,000	30%
194BA	Earnings from online games	Nil	30%
194BB	Income from horse race	10,000	30%
194C	Payment done to subcontractor/contractor	Single transaction- 30,000 Aggregate transactions- 1,00,000	HUF/Individuals: 1% Others: 2%
194D	Insurance commission to:		
	a) Individuals	15,000	5%
	b) Companies	15,000	10%

Section	Nature of transaction	Threshold Limit(Rs)	TDS Rate
194DA	Payment made towards life insurance policy	1,00,000	5%
194E	Payment to non-resident sports association/sportsmen	No specified limit	20% The mentioned rate will be subject to an additional surcharge and a 4% cess.
194EE	Payment to National Savings Scheme	2,500	10%
194F	Payment for the re-purchase of the unit by Mutual Fund or UTI	No specified limit	20%
194G	Commission on selling lottery tickets	15,000	5%
194H	Commission/brokerage	15,000	5%
194-I	Rent:		
	194-I(a) plant and machinery	2,40,000	2%
	194-I(b) land/building/furniture/fitting	2,40,000	10%
194-IA	Payment on transfer of immovable property except agricultural land	50,00,000	1%
194-IB	Rent paid by HUF/Individual who is not required to conduct tax audit	50,000 per month	5%
194-IC	Payment under JDA, Joint Development Agreements	No specified limit	10

Section	Nature of transaction	Threshold Limit(Rs)	TDS Rate
194J	Fees paid for - <ul style="list-style-type: none"> • Technical services • Royalty in the nature of consideration for sale, distribution or exhibition of cinematographic films 	30,000 30,000	2% 2%
194J	Fees paid for any other professional services or technical service	30,000	10%
194K	Earnings from units payable to a resident	No specified limit	10%
194LA	Compensation for acquiring an immovable property	2,50,000	10%
194LB	Interest paid to Non-resident on Infrastructure Debt Fund	No specified limit	5% The mentioned rate will be subject to an additional surcharge and a 4% cess.
194LBA(1)	Earnings received by a business trust from an SPV	No specified limit	10%
194LBB	Income of a unit holder from an investment fund.	No specified limit	10%
194LBC	Income from investment in securitization trust Individuals/HUF Others	No specified limit	25% 30%

Section	Nature of transaction	Threshold Limit(Rs)	TDS Rate
194M	Payment of commission except income tax commission under Section 194C, 194H, and 194J	50,00,000	5%
194N	Cash withdrawal exceeding a specific amount 1 crore	1 crore	2%
194N	Cash withdrawal from multiple bank accounts during the previous year		
	Amount exceeding 1 crore (exceeding 20 lakhs for people not filing ITR for previous 3 years)	1 crore	2%
	Aggregate cash withdrawal exceeding 20 lakhs	20 lakhs	2%
	Aggregate cash withdrawal exceeding 1 crore	1 crore	5%
194O	Payment to e-commerce participant by e-commerce operator	5,00,000	1% 5% in case PAN is not provided
194P	TDS for senior citizens aged over 75 years	Basic exemption limit	Normal tax slab rates
194Q	Purchase of goods after 1.07.2021	50,00,000	0.10%

Section	Nature of transaction	Threshold Limit(Rs)	TDS Rate
194R (Introduced in budget 2022)	TDS deducted on benefit or Perquisite to a business or profession	20,000	10%
194S	Payment of virtual digital assets	Specified Persons- 50,000 Others- 10,000	1%
195	Income on investments of NRI citizens	No specified limit	20%
195	LTCG under section 115E in the case of NRI citizen	No specified limit	10%
195	LTCG under section 112(1)(c)(iii)	No specified limit	10%
195	LTCG under section 112A	No specified limit	10%
195	STCG under section 111A	No specified limit	15%
195	Other LTCG other than LTCG mentioned u/s 112A, 10(33), 10(36)	No specified limit	20%
195	Interest paid on borrowings from Indian company or government in INR.	No specified limit	20%
195	Income from royalty, paid by Indian company/government under section 115A	No specified limit	10%

Section	Nature of transaction	Threshold Limit(Rs)	TDS Rate
195	Earnings from royalty by government or Indian company as per an agreement according to the industrial policy.	No specified limit	10%
195	Income from royalties payable from Indian companies or the government. Agreement should be made between 31st Mar 1961 to 1st Apr 1976	No specified limit	50%
195	Earnings from royalty to be paid by government or Indian company in pursuance of an agreement on matters included in the industrial policy Agreement should be between 31st March 1976	No specified limit	10%
195	Earnings from technical fees to be paid by Indian government or company in pursuance of an agreement for industrial policy	No specified limit	10%

Section	Nature of transaction	Threshold Limit(Rs)	TDS Rate
195	Income from technical fees payable by government or Indian concern in pursuance of an agreement on matters related to industrial policy If the agreement for such payment is entered in between 29th February 1964 and 1st April 1976	No specified limit	50%

FAQ: GST for NGOs

Disclaimer: This document is intended solely for educational purposes. The content herein is subject to change based on evolving finance trends and any relevant rulings by the Government of India. Readers are advised to consult with qualified professionals for specific guidance related to their individual circumstances.

Q1. What are the criteria for a charitable trust to be exempted from GST?

There are certain criteria for a charitable trust or an NGO to be exempted from the Goods and Services Tax. The charitable trust or NGO must be registered under Section 12AA of the Income Tax Act, and the services provided by the charitable trust or the N

Q2. What is “charitable activity” under GST?

Notification no 12/2017 the term “charitable activity” has been explained. (Chapter 99 Sl. No.1)

“Charitable activities” –

(i) public health by way of,-

- Care or counselling of
 - Terminally ill persons or persons with severe physical or mental disability;
 - persons afflicted with HIV or AIDS;
 - persons addicted to a dependence-forming substance such as narcotics drugs or alcohol;
- Public awareness of preventive health, family planning or prevention of HIV infection;
- Advancement of religion, spirituality or yoga;
- Advancement of educational programmes or skill development relating to,-
 - Abandoned, orphaned or homeless children;

- physically or mentally abused and traumatized persons;
- prisoners; or
- persons over the age of 65 years residing in a rural area;
- Preservation of environment including watershed, forests and wildlife;
- The exemption list services under GST may be browsed at <https://taxguru.in/goods-and-service-tax/list-exempted-services-gst.html>

Q3. What about goods sold by a charitable trust?

Goods that are sold by a charitable trust is taxable. The charitable trust must pay the GST rate applicable while purchasing the supply.

Q4. Is GST applicable on training programs, camps, and events conducted by a charitable trust?

If a charitable trust is conducting training programs, yoga camps, or other programs that are not free for participants, it will be considered as a commercial activity and hence will be liable for GST. Even the donation received for such an activity will be liable for taxation under GST. Services provided by way of training or coaching in recreational activities relating to arts and culture, or sports by a charitable entity will be exempt from GST.

Q5. Are the events organized by charitable trusts exempt from GST?

If trusts are running schools, colleges or any other educational institutions specifically for abandoned, orphans, homeless children, physically or mentally abused persons, prisoners or persons over age of 65 years or above residing in a rural area, such activities will be considered as charitable activities and income from such supplies will be wholly exempt from GST.

Q6. What happens when a charitable trust rents out a religious place? Is there any GST on that?

GST law has chalked out GST exemptions, when a charitable trust rents out religious meant for general public (owned and managed by a registered charitable trust under 12AA of the Income Tax Act, 1961). GST will be exempted when:

- Rent out rooms are charged lesser than Rs.1,000 a day
- Kalyanamandapam or an open area is charged lesser than Rs.10,000 a day
- Rent out shops and other spaces for business are charged less than Rs.10,000 a month

Resource material for NGOs on GST

Key definitions under CGST Act 2017 for NGOs to know:

1. Section 2(84) defines the term “person” which include Trusts, Societies and all types of artificial juridical person
2. Sec 2(17) defines “Business” which includes any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit;
3. Section 2(28) defines “Consideration” as monetary value or payment for an activity. Payment is Not Consideration. The act of mere payment, and/or undertaking to pay arising out of a contract towards any assistance, without getting anything in return or supply in any form in return cannot be called as consideration
4. Section 7 (1) defines scope of supply to include:
 - all forms of supply of goods & services or both, such as sale, transfer, barter, exchange, license, rental, lease or disposal made/agreed to be made-VC/corpus not supply, no specified beneficiaries.
 - Consideration-provided a grant is linked to beneficiaries/implementing partner/donor
 - in the course of furtherance of business-Grant is a legal obligation and not income. Also incidental activity would be excluded if primary activity is charitable
5. Levy & Collection-As per section 9(1) of CGST Act, Tax is leviable on the supply of Goods/Services or both on the value determined under section 15 and at such rates as prescribed under various schedules of the Act

Architecture of GST

1. GST is destination based consumption tax. Benefit of tax (STCG/ UTGST) will accrue to the consuming state
2. When supply of goods/services happens within a state called intra-state transactions, then both the CGST and SGST/UGST will be collected.
3. if the supply of goods or services happens between the states called inter-state transactions, then only IGST will be collected.

cgst sgst igst

Illustrated:

GST:

- *Intra-state movement*
 - *Central GST (CGST)*
 - *State GST (SGST)*
- *Inter-state movement*
 - *Integrated GST (IGST)*

How GST operates

- Dual tax regime in line with the federal structure of country
- Under GST regime there is a SEAMLESS (without any obstruction) credit flow in case of inter-state supplies as follows:

(a) The inter-state supplier in the exporting state is allowed to set off the available credit in IGST, CGST and SGST/UTGST against the IGST payable on inter-state supply made by him.

(b) The buyer of importing state in inter-state supply can avail the credit of IGST paid on purchase from the output tax payable.

(c) The exporting state transfers to the center the credit of SGST/ UTGST utilized for the payment of IGST.

(d) The Centre transfers to the importing state the credit of IGST used in payment of SGST/UTGST.

Type of supply

- Taxable supply-4 category-exempt, essential, regular and special
- Exempt supply

a. Supplies taxable at a 'NIL' rate of tax (0% tax)-milk, grains, salt

b. Supplies that are wholly or partially exempted from CGST or IGST, by way of a notification amending CGST/IGST Act

c. Non-taxable supplies- supplies that are not taxable under the Act-Alcoholic liquor for human consumption, petrol.

- Zero rated supply-exports, supply made to SEZ
- Composite Supply
- Mixed Supply

Rates of levy

- 0% (nil-rated)-Exempted goods
- 5%-Essential goods
- 12%-Standard goods
- 18%-Standard goods
- 28%-Special goods
- There are a few lesser-used GST rates such as 3% and 0.25%.
- Cess in addition to GST rates on the sale of some items such as cigarettes, tobacco (called sin goods), aerated water, petrol, and motor vehicles, rates widely varying from 1% to 204%.
- GST will be calculated on the value of supply of goods and services, which is the transaction value.

Input Tax Credit

- Under GST credit of taxes paid at previous stages is available as set-off from the output tax i.e. GST Act is truly value added tax.
- Input Tax applies only when GST paid by a taxable person on any purchase of goods/services that are used for business.
- This Input Tax can be reduced from the GST payable on the sales by the taxable person called Input Tax Credit (ITC) only after fulfilling some conditions i.e. Goods used for business, tax invoice, appears in GSTR 1 filed by seller, appears in buyer's GSTR 2B, etc
- The time limit to claim ITC against an invoice or debit note is earlier of two dates, given below:
 - The due date for filing GST returns for September of the next financial year.
 - The date of filing the annual returns in form GSTR-9 relating to that financial year.
- Input tax credit (ITC) of CGST and SGST/UTGST will be available through the supply chain
- Cross utilisation of credit will not be possible, i.e. CGST credit can't be utilised for payment of SGST/UTGST and UTGST/SGST credit can't be utilised for payment of CGST.
- Cross utilisation will be allowed between CGST/SGST/ UTGST and IGST. i.e. credit of IGST can be utilised for payment of CGST/SGST/UTGST and vice versa.

GSTR 1

- GSTR-1 is return to be furnished for reporting details of all outward supplies of goods and services made. Contains the invoices and debit-credit notes raised on the sales transactions for a tax period.
- Any amendments to sales invoices made, even pertaining to previous tax periods, should be reported.

The filing frequency of GSTR-1 is :

(a) Monthly, by 11th of every month- If the business either has an annual aggregate turnover of more than Rs.5 crore or has not opted into the QRMP scheme.

(b) Quarterly, by 13th of the month following every quarter- If the business has opted into the QRMP scheme.

GSTR 2B

- GSTR-2B is again a view-only static GST return important for the recipient or buyer of goods and services. It is available every month, starting in August 2020 and contains constant ITC data for a period whenever checked back.

ITC details will be covered from the date of filing GSTR-1 for the preceding month (M-1) up to the date of filing GSTR-1 for the current month (M). The return is made available on the 14th (after filing of GSTR-1 11th & 13th) of every month, giving sufficient time before filing GSTR-3B, where the ITC is declared.

GSTR-2B provides action to be taken against every invoice reported, such as to be reversed, ineligible, subject to reverse charge, references to the table numbers in GSTR-3B.

GSTR 3B

- GSTR-3B is a monthly self-declaration to be filed, for furnishing summarized details of all outward supplies made, input tax credit claimed, tax liability ascertained and taxes paid.
- GSTR-3B is to be filed by all normal taxpayers registered under GST. The sales and input tax credit details must be reconciled with GSTR-1 and GSTR-2B every tax period before filing GSTR-
- 3B. GST reconciliation is crucial to identify mismatches in data, that may lead to GST notices in future or suspension of GST registration as well.

The filing frequency of GSTR-3B is currently as follows:

- Monthly, 20th of every month- For taxpayers with an aggregate turnover in the previous financial year of more than Rs.5 crore or have been otherwise eligible but still opted out of the QRMP scheme.
- Quarterly, 22nd of the month following the quarter for 'X' category of States and 24th of the month following the quarter for 'Y' category of States- For the taxpayers with aggregate turnover equal to or below Rs 5 crore, eligible and remain opted into the QRMP scheme.

GST under RCM

- Reverse-charge means the liability to pay tax by the recipient of the supply of goods or services or both instead of the supplier of such goods or services or both
- The goods and services are notified under RCM
- Tax under reverse charge can be paid through cash only without availing the benefit of ITC.
- The supplier must mention in his tax invoice whether the tax is payable on reverse charge
- Compulsory registration if opting for RCM

Composition scheme under GST

- Small taxpayers can pay GST at a fixed rate of turnover for intrastate supply. This scheme can be opted by whose turnover is less than Rs. 1.5 crore.
- No ITC available and tax paid by the composition dealer.
- No GST charged in invoice, issued marked as under composition scheme
- service providers can opt for composition scheme rendering services having aggregate annual turnover up to Rs. 50 lakh
- GSTR-4 is the annual return to be filed by the composition taxable persons by 30th April of the year following the relevant financial year.
- Rate of GST varies between 1%-manufacturer & trader, 5%- restaurants not serving alcohol and 6%-service provider
- GST paid quarterly by 18th of month following the quarter-CMP 09

HSN and SAC

HSN code and SAC code are the codes used to classify goods and services under the GST regime in India.

HSN means Harmonized System of Nomenclature code used for classifying the goods under the GST, Goods and Service Tax.

The SAC code means Services Accounting Code under which services fall under GST are classified.

HSN code has 8 digits and SAC code has 6 digits

E way bill and E invoice

- EWay Bill is an Electronic Way bill for movement of goods to be generated on the eWay Bill Portal (eqaybillgst.gov.in).
- A GST registered person cannot transport goods in a vehicle whose value exceeds Rs. 50,000 (Single Invoice/bill/delivery challan) without an e-way bill
- When an e-way bill is generated, a unique Eway Bill Number (EBN) is allocated and is available to the supplier, recipient, and the transporter.
- e-way bill contains part-A and Part-B, Part-A contains the details of goods while Part-B contains the details of transporter (Road , sea, Air). Part-B can also be generated by the transport agency while Part-A can be generated by the seller only.
- e-invoice and e-way bill both can be generated from the portal for registered users with a separate registration. E- Invoice is mandatory if aggregate turnover is more than 10 Cr from 1st October 2022.