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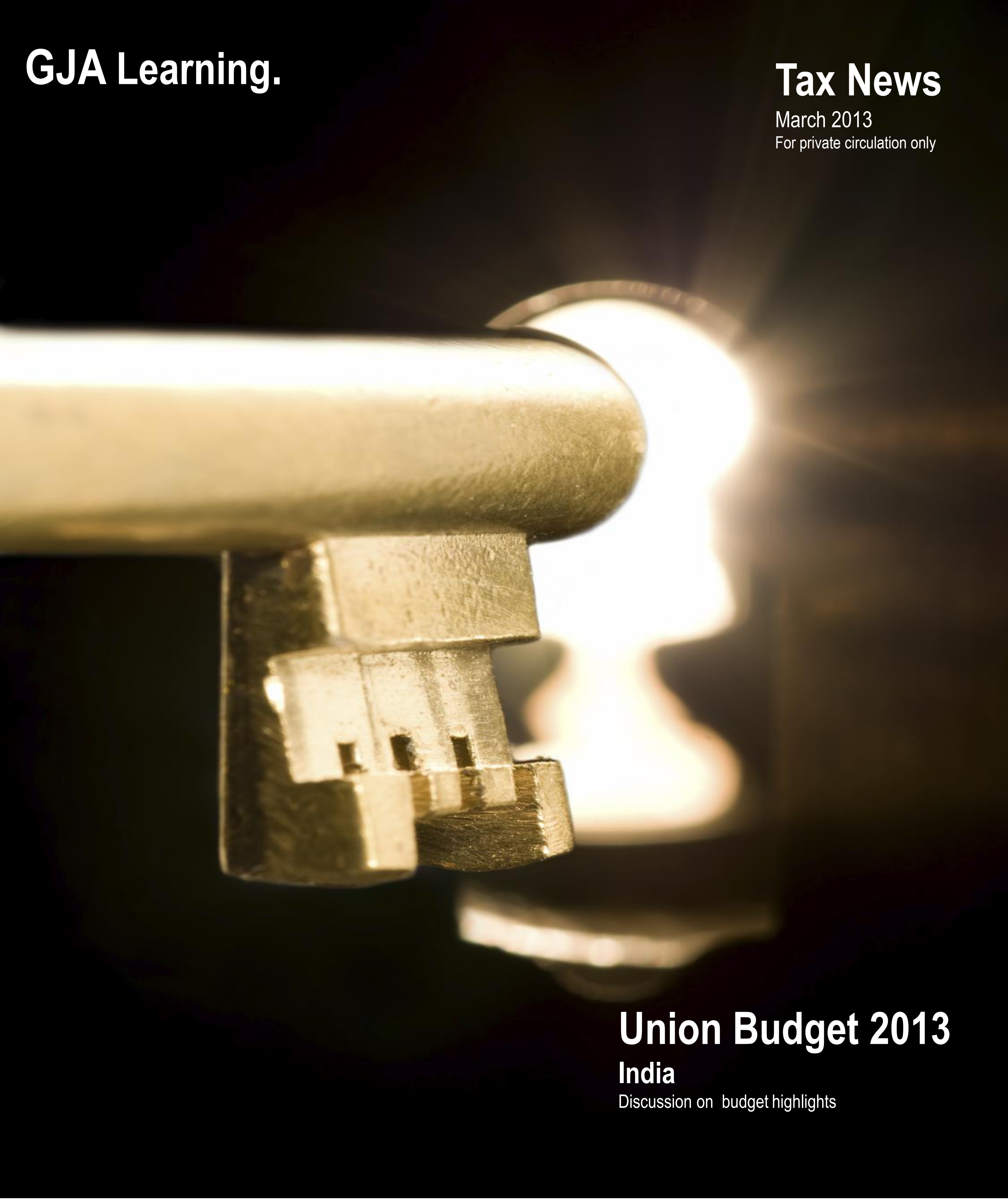

Union Budget 2013

India

Discussion on budget highlights

www.gja.co.in

G. Joseph & Associates

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CELEBRATING 25 YEARS

Transmittal

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March 1, 2013

Dear Reader,

We are pleased to present you with a discussion on the Union Budget for the financial year 2013 – 2014 ('Budget 2013') presented by the Honorable Finance Minister, Mr. P. Chidambaram at the Lok Sabha on February 28, 2013.

Prior to the Budget, the question on everyone's mind was whether Election 2014 would make the Budget a populist one. However, from a direct and indirect tax perspective, Budget 2013 was perhaps the least interesting budget in recent memory. Apart from certain welcome measures such as the postponement of the much feared GAAR and the announcement of an amnesty scheme for service tax defaulters, the proposals were largely cosmetic.

Through this issue of 'Tax News' as a part of GJA Learning series, we hope to provide you a snap-shot of some of the key takeaways from the budget speech. While further clarity to many of the amendments will unravel during the coming days, we believe that you will benefit from the early insights from the Budget which may affect your business and personal wealth.

Should you require any further clarifications or details on the budget proposals or any assistance in the analysis of the impact of the proposals on your business, please do feel free to get in touch with us. Further, we always look forward to your valuable suggestions.

Yours faithfully

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Executive summary

Executive summary

Macro economic outlook	▶ GDP is expected to grow at the lowest ever rate of 5% to 5.5% in FY 2012 – 13 which is far below the 8% average for 11th Plan period. GDP growth is expected to be between 6.1% to 6.7% for FY 2013 – 14. ▶ The Current Account Deficit is expected to be around USD 75 billion. ▶ The Gross Fiscal Deficit is expected to be 5.1% of the GDP for FY 2012 – 13. ▶ The WPI Inflation is expected to be 6.2% in FY 2013 – 14,
Direct taxation Key areas include : ▪ No changes proposed with respect to tax slabs ▪ Introduction of a new tax called Commodities Transaction Tax ▪ Postponement of GAAR. ▪ One time deduction of up to INR 1.0 lakh for home loans ▪ Additional income tax on buy back of unlisted shares	▶ No changes have been proposed with respect to the tax slabs. However, a rebate of up to INR 2,000 has been proposed for persons with total income less than INR 5.0 lakhs. ▶ Surcharge has been reintroduced for individuals and firms and increased for companies with total incomes exceeding INR 10.0 crores. ▶ One time additional housing loan interest deduction of INR 1.0 lakhs has been proposed for first time home buyers for loans up to INR 25.0 lakhs. ▶ Tax rates for non residents earning income from royalties and fees for technical services has been increased from 10% to 25%. ▶ GAAR has been postponed to April 1, 2016. ▶ CTT has been introduced on commodities derivatives at 0.01%. ▶ STT rates have been reduced. ▶ A one time deduction of 15% has been proposed on new plant & machinery acquired and installed exceeding INR 100.0 crores. ▶ TDS at 1% has been proposed on transfer of immovable properties other than agricultural land exceeding INR 50.0 lakhs. ▶ Additional income tax of 20% on buy back of unlisted shares has been proposed.
Indirect taxation Key areas include : ▪ Effective rates of service tax and excise duty left unchanged. ▪ Peak rate of customs duty continues at 10% ▪ Customs duty on high end cars has been increased. ▪ Service tax amnesty scheme has been introduced. ▪ Negative list has been expanded.	▶ Effective rates of excise duty and service tax have been retained at 12.36%. ▶ Peak rate of basic customs duty has been left unchanged at 10.0% ▶ Excise duty on SUVs, mobile phones, cigarettes and marble tiles have been increased. ▶ Zero Excise Duty Route has been reintroduced for branded readymade garments. ▶ Customs duty on high end cars, motor cycles and yachts have been increased. ▶ Service tax amnesty scheme for 'non filers', 'stop filers' and 'non registrants' has been introduced. ▶ Service tax has been introduced for all air conditioned restaurants irrespective of whether they have a license to serve liquor. ▶ Service tax abatement on certain constructions has been marginally reduced. ▶ Vocational courses and testing services for agricultural activities have been included in the negative list. ▶ Service tax has been imposed on transfer or permitting use of cinematographic films copyrights other than exhibition in cinema halls. ▶ Vehicle parking services will also be subject to service tax.

Direct taxation

Key highlights

- Budget 2013 does not propose any changes to the tax slabs

Direct taxation

- The key changes in direct taxation contemplated by the Finance Bill, 2013 are presented below

Taxation slabs

- The Finance Bill, 2013 has not proposed any changes in the taxation slabs for individuals. The taxation slabs continue as follows:

A) In case of senior citizens

Individuals who are 60 years or more, but less than 80 years	
Slabs	**Tax rate**
Below INR 2.5 lakhs	NIL
INR 2.5 lakhs to INR 5.0 lakhs	10.0%
INR 5.0 lakhs to INR 10.0 lakhs	20.0%
Above INR 10.0 lakhs	30.0%

B) In case of very senior citizens

Individuals who are more than 80 years	
Slabs	**Tax rate**
Below INR 5.0 lakhs	NIL
INR 5.0 lakhs to INR 10.0 lakhs	20.0%
Above INR 10.0 lakhs	30.0%

Key highlights

- A rebate of up to INR 2,000 has been proposed for persons with income not exceeding INR 5.0 lakhs. In effect, persons with total income up to INR 2.20 lakhs need not pay any tax.
- Surcharge has been reintroduced for individuals and firms with total incomes exceeding INR 1.0 crores
- Surcharge on companies with total incomes exceeding INR 10.0 crores has been increased to 10% from 5%.

C) In case of other individuals

Slabs	Tax rate
Below INR 2.0 lakhs	NIL
INR 2.0 lakhs to INR 5.00 lakhs	10.0%
INR 5.0 lakhs to INR 10.0 lakhs	20.0%
Above INR 10.0 lakhs	30.0%

Rebate of INR 2,000 for individuals having total income up to INR 5.0 lakhs

- Budget 2013 proposes to provide tax relief to those individual tax payers who are in the lower income bracket, through a rebate of the tax payer's actual tax liability or INR 2,000 which ever is less.
- Consequently, individual tax payers having a total income of up to INR 220,000 need not pay any income tax.
- The rebate is limited to those persons with an income not exceeding INR 5.0 lakhs and those who are Indian residents

Tax rates for companies and firms

- Income tax rates for domestic companies and foreign companies continues at 30% and 40% respectively.
- Income tax rates for firms remains unchanged at 30%.

Surcharge

- Surcharge was earlier abolished for individuals and firms. Surcharge of 10% of income tax has now been reintroduced for individuals and firms having a total income exceeding INR 1.0 crore
- Surcharge for domestic companies continues to be at 5% of income tax where the total income exceeds INR 1.0 crore, but does not exceed INR 10.0 crores. Domestic companies with total income exceeding Rs. 10.0 crores will now be subject to surcharge of 10%.
- Surcharge for foreign companies continues to be at 2% of income tax where the total income exceeds INR 1.0 crore, but does not exceed INR 10.0 crores. Foreign companies with total income exceeding INR 10.0 crores will now be subject to surcharge of 5%.
- Surcharge of 10% will be imposed on dividend distribution tax irrespective of the amount of dividend declared.

Key highlights

- A one time additional deduction of INR 1.0 lakh has been introduced for first time home buyers for loans up to INR 25.0 lakhs sanctioned in FY 2013 – 14
- The tax rates prescribed under the IT Act for non residents with income from royalties and fees for technical services has been increased from 10% to 25%
- Manufacturing companies are being given a one time deduction of up to 15% of investment in new plant & machinery exceeding INR 100.0 crores.

Education cess

- Education cess of 2% and secondary & higher education cess of 1% on taxes and surcharge remains unchanged for all assessees.

Increased deduction for interest on housing loans

- Presently, a deduction of INR 1.50 lakhs is available as interest on housing loan for self occupied property. Budget 2013 proposes to offer an additional one time interest deduction of INR 1.0 lakh for housing loans which are sanctioned during the FY 2013 – 14.
- The main conditions for availing this deductions are:
  - The loan amount cannot exceed INR 25.0 lakhs
  - The value of the property cannot exceed INR 40.0 lakhs
  - The assessee should not own any other residential house property.
- In case the assessee is not able to use the entire amount of additional deduction of INR 1.0 lakh in FY 2013 – 14, he will be able to avail the difference in FY 2014 – 15.

Taxation of royalty and fees for technical services

- The Income Tax Act, 1961 ('IT Act') provided for taxation of royalty and fees for technical services income of non residents at flat rate of 10% (agreements entered into after June 1, 2005). This is in spite of the tax rate being as high as 25% in certain Double Taxation Avoidance Agreements ('DTAA').
- Non residents were claiming the benefits under the IT Act as they were entitled to avail the more beneficial provision between the DTAA and the IT Act. This route has now been closed by increasing the tax rate to 25% under the IT Act [Section 115A].
- It is still open for non residents to avail the rates prescribed under the DTAA if they are lower than 25%.

Incentive for acquisition and installation of new plant & machinery

- Manufacturing companies are being given a benefit of a deduction of up to 15% of the total value of plant & machinery acquired and installed between April 1, 2013 and March 31, 2015, if the total value of such new assets exceeds INR 100.0 crores

Key highlights

- Rajiv Gandhi Equity Savings Scheme has been extended to FY 2013 – 14.
- Lower rate of tax on dividends from foreign companies has been extended to FY 2013 – 14.

Extension of Rajiv Gandhi Equity Savings Scheme

- Budget 2012 had introduced the Rajiv Gandhi Equity Savings Scheme whereby investors who had invested in equity shares through the scheme could get a tax deduction of 50% of the amount invested which was limited to INR 25,000.
- This was a one time deduction for the FY 2012 – 13. The scheme has now been extended and an investor will be able to claim deduction for up to three consecutive years from the first year of investment. However, this deduction is restricted to those investors whose gross total income does not exceed INR 12.0 lakhs
- Investment in equity oriented funds have also been permitted to liberalize the incentive available.

Increasing premium percentages of life insurance policies

- Presently, amounts received under a life insurance policy or premiums paid were eligible for a exemption / deduction only if the premium paid did not exceed 10% of the sum assured. This was a constraint for persons suffering from a serious disability or ailment or a disease as invariably, their premiums would be higher.
- Budget 2013 proposes to increase the cap of 10% to 15% for persons suffering from specified disabilities / ailments / diseases.

Lower rate of tax on dividends from foreign companies

- In order to encourage repatriation of funds from foreign companies in which Indian companies had an investment of more than 26% of the shareholding, a lower rate of tax of 15% was introduced for one year, FY 2011 – 12 and extended to FY 2012 - 13. It is now proposed to continue the benefit for one more year, FY 2013 – 14.

Removal of cascading effect of Dividend Distribution Tax (‘DDT’)

- As discussed above, the dividend received by an Indian company from a foreign company will be subject to a tax of 15%. When the Indian company declares dividend, the dividend declared would be subject to a further DDT of 15% which resulted in a cascading effect.
- To eliminate the cascading effect, Indian companies which receive dividends from their foreign subsidiaries, i.e., companies in which they hold more than 50% of shareholding will be permitted to reduce the amount of dividend received from the dividend declared by them for the purpose of computing DDT.

Key highlights

- Transfer of immovable property in excess of INR 50.0 lakhs will be subject to TDS of 1%.
- Additional income tax of 20% has been introduced for buy back of unlisted shares on the same lines of DDT.

TDS on transfer of immovable properties

- Transfer of immovable property (other than agricultural land) by a resident will require deduction of TDS @ 1% by the transferee where the total amount of consideration exceeds INR 50.0 lakhs

Additional income tax on buy back of unlisted shares

- Companies were frequently resorting to buy back of shares in order to distribute its reserves to its shareholders. The advantages of buy backs were that it was not subject to DDT and the amount received by the shareholders were usually not chargeable to tax or taxable at a lower rate.
- Budget 2013 proposes to plug this loophole by providing that the consideration paid by a company for purchase of its unlisted shares in excess of the amount received by the company at the time of issue of shares will be chargeable to tax.
- The mechanism for taxing the above consideration is by imposing an additional income tax of 20% which would be payable by the company on similar lines of DDT. However, the income received by the shareholders would be exempt from further tax.

Stamp duty valuation in the case of immovable property held as stock in trade

- If a capital asset, being immovable property is transferred for a consideration which is less than the stamp duty valuation, then the stamp duty valuation was taken as the full value of consideration for the purpose of computation of capital gains. However, there were no such provisions if the immovable property was held as stock – in – trade, say in the case of property developers.
- Budget 2013 proposes to employ the stamp duty valuation for transfer of immovable property held as stock – in – trade.

Immovable property received for inadequate consideration

- Immovable property received by an individual without consideration would be taxed in the hands of the individual by adopting the stamp duty valuation. However, the law did not cover a situation where the property was received by an individual for *inadequate consideration*, i.e., for a consideration which was lower than the stamp duty valuation. Budget 2013 seeks to correct this anomaly. Transfers between relatives are still not covered under these provisions.

Key highlights

- GAAR has been postponed to take effect from April 1, 2016
- Self assessment tax has to be paid with interest before filing of return of income.

Postponement of General Anti-Avoidance Rules ('GAAR')

- The implementation of the draconian GAAR which were proposed in Budget 2012 have been proposed to be postponed to take effect from April 1, 2016 onwards.

Changes in definition of capital asset with reference to agricultural land

- More agricultural land has been removed from the definition of capital asset by exempting notified municipalities and cantonment boards based on distances with reference to their population rather than a blanket 8 km radius

Disallowance of fees, charges, etc. from State Govt. Undertakings

- State governments frequently levy fees, license fees, royalties, etc. on its undertakings thereby eroding the Central Government's tax base. It is now proposed to disallow such levies for the purpose of computation of income tax

Contribution to political parties

- Contribution to political parties is allowed as a deduction in the computing of total income. However, there was no specific provision as to the mode of contribution. With a view to discourage cash payments by the contributors, an amendment is proposed to provide that no deduction will be allowed in respect of any sum contributed by way of cash.

Self assessment tax to be paid before filing return of income

- Assessees frequently file income tax returns without payment of self assessment tax. It is now proposed to provide that the return of income shall be regarded as defective unless the tax together with interest payable, if any, has been paid on or before the date of furnishing of the return.

Penalties for non-filing of Annual Information Return

- Stiff penalties have been proposed for non-filing or delayed filing of Annual Information Returns.

Deduction in respect of employment of new workmen

- Additional deduction of 30% for employment of new workmen is now proposed to be restricted to blue collar workers in the manufacturing sector. Earlier, it was being claimed for employees in a variety of sectors.

Key highlights

- It is now open to tax authorities to deny benefits under the DTAA even if the assessee produces a TRC.
- CTT has been introduced at 0.01% which is to be paid by the seller.
- STT rates have been reduced.

Tax Residency Certificate ('TRC')

- Budget 2012 originally proposed to make TRCs a necessary, but not a sufficient condition for availing benefits under the DTAAs. However, this provision never found its way to the Finance Bill, 2012. A provision such as this would be more than enough for tax authorities to deny benefits under DTAAs with jurisdictions such as Mauritius.
- Budget 2013 proposes to amend the IT Act for to make submission of TRCs a necessary, but not sufficient condition for availing benefits under the DTAA.

Commodities Transaction Tax ('CTT')

- A new tax called CTT, on similar lines of STT, is proposed to be levied on taxable commodities transactions, i.e., sale of commodity derivatives in respect of commodities, other than agricultural commodities.
- The tax rate proposed is 0.01% of the transaction value payable by the seller.
- CTT will be an allowable deduction for computation of taxable profits.

Changes in rates of Securities Transaction Tax ('STT')

- STT rates on certain transactions have been reduced. STT on delivery based purchases of units of equity oriented funds have been reduced to Nil from 0.1%. Sales of such funds will now be subject to STT at 0.001% instead of 0.1%.
- STT on sale of futures transactions will now be subject to STT at 0.01% instead of 0.017%.

Indirect taxation

Indirect taxation: Excise Duty

Key highlights

- Effective rate of duty has been retained at 12.36%

Effective rates of duty unanged

- As expected, the effective rate of excise duty has been retained at 12.36% on non – petroleum products.

The impact of Budget 2013 on key sectors are as follows:

Agriculture / Agro Processing / Plantations

- Full exemption has been provided for tapioca starch manufactured and captively consumed in the manufacture of tapioca sago. Similar exemption from ED has been provided on henna powder or paste manufacture.

Automobiles

- SUV enthusiasts will suffer the biggest hit in terms of changes to automobile sector duty rates with duty being hiked from 27% to 30%. However, SUVs registered solely for use as taxis will remain unaffected by this change.

Textiles

- The erstwhile scheme of 'Zero Excise Duty Route' has been reintroduced through the Finance Bill, 2013 in respect of branded readymade garments and made-ups. In the case of cotton, there will be zero duty at the fibre stage. This facility is in addition to the CENVAT route which is prevalent now.

Electronics

- Prices of mobile phones are set to increase with ED on mobiles with a retail price of more than INR 2,000 being increased to 6% from 1%.

Miscellaneous

- ED on cigarettes is being increased by 18% on all cigarettes except cigarettes of length less than 65mm.
- ED on marble tiles and slabs is also set to increase from INR 30 per sq. mtr. to INR 60 per sq. mtr.

Other amendments

- Penal provisions have been marginally eased to reduce the threshold limit of excise duty evasion from INR 30.0 lakhs to INR 50.0 lakhs. Severity of the penalty is however unchanged with convicted offences being subject to a maximum of imprisonment of up to 7 years along with fine.

Indirect taxation: Customs Duty

Key highlights

- No changes have been proposed on the peak rates for customs duty.

Peak rate of duty maintained

- The peak rate of Basic Customs Duty ('BCD') has been left unchanged at 10.0%. CVD also remains unchanged given that the rates of excise duty remained unchanged
- Following are the changes to BCD rates proposed in the Budget

Increase in BCD		
Category	**Existing**	**Proposed**
High end cars	75%	100%
Motor cycles with an engine capacity > 800cc	60%	75%
Yachts & motor boats	10%	25%
Raw silk	5%	15%
Set Top Boxes	5%	10%

Decrease in BCD		
Category	**Existing**	**Proposed**
Pre-forms of precious and semi-precious stones	10%	2%
Textile machinery and parts	7.5%	5%

- BCD on steam coal in being increased from 0-2% and CVD from 10%-25% while rates for bituminous coal has been reduced from 5%-2% and 6%-2% respectively
- Full exemption from BCD is provided to lithium ion automotive battery for manufacture of lithium ion battery packs for supply to the manufacturers of hybrid and electric vehicles
- Time period of exemption for the specified parts of electric and hybrid vehicles is being extended up to March 2015

Key highlights

- Service tax rate remains constant at 12.36%
- Amnesty scheme for defaulters introduced
- Exemptions to restaurants not serving liquor removed
- Abatement with respect to construction of complex service reduced to 70% for constructions meeting specified criteria

Service tax rate unchanged

- The effective service tax rate has remained unchanged at 12.36%.

Introduction of Amnesty Scheme for defaulters

- An amnesty scheme has been proposed to provide one-time amnesty by way of waiver of interest and penalty and also immunity from prosecution to the 'stop filers', 'non-filers' and also 'non-registrants'. This scheme would cover the period from October 2007 - December 2012. Entire amount of tax dues would have to be cleared to avail this beneficial scheme.

Rationalization / Removal of exemptions

- Rationalized exemptions: Exemptions from service tax was previously available to restaurants other than those having (1) air-conditioning; and (2) license to serve liquor. The condition for license to serve liquor has been done away with, which would mean costs of dining would increase given that all restaurants with air conditioning are now covered with effect from April 1, 2013.
- Charitable organisations providing service towards any other object of general public utility previously enjoyed a limit of INR 25.0 lakhs. This limit has now been done away with and such charitable organizations would now be covered under the general threshold exemption of INR 10.0 lakhs.
- Following services have been brought under the tax net by removing exemptions available to them:
    - Educational institutions earning income from renting of immovable property
    - Transfer or permitting the use or enjoyment of copyright relating to cinematographic films other than those exhibited in cinema halls / theatre
    - Vehicle parking to general public
    - Services provided to government, local authority or Govt. authority by way of repair or maintenance of aircraft

Rationalization of abatement

- Abatement of 75% was previously available for constructions where value of land was included in the amount charged from the service recipient. This has now been amended in the following manner:
    i. Where carpet area is <=2,000 sq.ft. or amount charged is < INR 1.0 crore, in the case of construction of complex, building or civil structure, intended for sale to a buyer except where the entire consideration is received after issuance of completion certificate, abatement of 75% continues
    ii. In all other cases, abatement would be reduced to 70%

Key highlights

- Additions to negative list include testing services and specified vocational courses

Additions to the negative list

- Services of providing approved vocational course have been included in the negative list. These would typically cover courses in designated trades offered by Industrial Training Institutes or Centers affiliated to the State Council of Vocational Training.
- Negative list has also been extended to include testing activities directly related to production of agricultural produce like soil testing, animal feed testing and testing of samples from plants and animals.

Exemption to railways

- Retrospective exemption has been provided to the Indian Railways on the service tax leviable on the various services provided prior to the introduction of negative list taxation regime.

Ready Reckoner

- Key TDS Rates
- Reverse Charge Mechanism

Key TDS Rates

- In the following table we have provided the key rates applicable for tax withholding.

Section	Nature of payment	Cut-off amount (INR)	Rate % (Individual)	Rate % (Others)
194	Deemed dividend	-	10%	10%
194A	Interest other than interest on security (by bank)	10,000	10%	10%
194A	Interest other than interest on securities (by others)	5,000	10%	10%
194C(1)	Contracts	30,000	1%	2%
194C(2)	Sub contracts / advertisements	30,000	1%	2%
194H	Commission or brokerage	5,000	10%	10%
194I	Rent (Land / building / furniture)	180,000	10%	10%
194I	Rent (plant & machinery / equipment)	180,000	2%	2%
194J	Professional / Technical charges / Royalty / Non-compete fee	30,000	10%	10%
194J(1)(ba)	Any remuneration or commission paid to director of the company (other than those covered under Sec. 192)	-	10%	10%

Notes

- 194C - Also where the aggregate of the amounts paid/credited or likely to be paid/credited to Contactor or Sub-contractor exceeds INR 75,000 during the financial year, TDS has to be deducted
- No PAN for the payee – Tax has to be deducted @ 20% if deductee does not furnish PAN
- No TDS on goods transport - No deduction shall be made from any sum credited or paid or likely to be credited or paid during the previous year to the account of a contractor during the course of business of plying, hiring or leasing goods carriages on furnishing of his PAN, to the person paying or crediting such sum

Reverse Charge Mechanism

- The reverse charge mechanism introduced w.e.f. July 2012 for an extended list of services, placed the onus of paying service tax partly on the service provider and partly on the service recipient. The respective liability for the service provider and service receiver are as follows:

Description of service	% of ST payable by the service provider	% of ST payable by the service recipient
Services provided by an insurance agent to any person carrying on insurance business	Nil	100%
Services provided by a goods transport agency in respect of transportation of goods by road	Nil	100%
Sponsorship	Nil	100%
Services provided by an arbitral tribunal	Nil	100%
Legal Services provided by an individual advocate or a firm of advocates	Nil	100%
Support services provided by Govt / local authority in relation to (1) renting of immovable property (2) other specified services (postal service, transportation of goods or passengers, services in relation to aircrafts or vessels)	Nil	100%
Renting of motor vehicles to carry passengers on abated value basis	Nil	100%
Renting of motor vehicle to carry passengers on non-abated value basis	60%	40%
Supply of manpower	25%	75%
Execution of works contract	50%	50%
Services provided by a person located in a non-taxable territory to a person located in a taxable territory	Nil	100%

- **Compliances for service provider** – The service provider shall issue an invoice with details indicating the name, address and the registration number of the service provider; the name and address of the person receiving taxable service; the description and value of taxable service provided or agreed to be provided; and the service tax payable thereon.
- **Availability of CENVAT Credit** – Typically, the credit of the entire tax paid on the service received by the service receiver would be available to the service recipient. Based on the new regulations, the credit of tax paid by the service provider would be available on the basis of the invoice while the credit of tax paid by the service recipient would be available on the basis of the tax payment challan

Compliance Calendar

G. Joseph & Associates
Chartered Accountants

Compliance Calendar

APRIL

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	**2**	**3**	**4**	**5** Payment of excise & ST liability other than e-payment	**6** e-payment of excise & ST liability
7	**8**	**9**	**10** Filing of excise return	**11**	**12**	**13**
14	**15** Filing of KVAT Return	**16**	**17**	**18**	**19**	**20** Contribution to Provident Fund & ESI
21	**22**	**23**	**24**	**25** ST Return for Oct'12-March 13	**26**	**27**
28	**29**	**30** Payment of taxes withheld in Mar'13	Notes:			

MAY

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	**2**	**3**	**4** Payment of excise & ST liability other than e-payment
5	**6** e-payment of excise & ST liability	**7** Payment of taxes withheld in April'13	**8**	**9**	**10** Filing of excise return	**11**
12	**13**	**14**	**15** Filing of TDS Return (Jan-Mar'13) | Filing of KVAT	**16**	**17**	**18**
19	**20** Contribution to Provident Fund	**21** Contribution to ESI	**22**	**23**	**24**	**25**
26	**27**	**28**	**29**	**30**	**31** Filing of KVAT Annual Return	**Notes:**

Compliance Calendar

JUNE

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	**3**	**4**	**5** Payment of excise & ST liability other than e-payment	**6** e-payment of excise & ST liability	**7**	**8**
9	**10** Filing of excise return	**11**	**12**	**13**	**14**	**15** IT Advance Tax (Q1) | Filing of KVAT Return
16	**17**	**18**	**19**	**20** Contribution to Provident Fund	**21** Contribution to ESI	**22**
23	**24**	**25**	**26**	**27**	**28**	**29**
30	**Notes:**					

JULY

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	**2**	**3**	**4**	**5** Payment of excise & ST liability other than e-payment	**6** e-payment of excise & ST liability
7	**8** Payment of taxes withheld in June'13	**9**	**10** Filing of excise return	**11**	**12**	**13**
14	**15** TDS Return (Apr-Jun'13) | Filing of KVAT Return	**16**	**17**	**18**	**19**	**20** Contribution to Provident Fund & ESI
21	**22**	**23**	**24**	**25**	**26**	**27**
28	**29**	**30**	**31** File personal tax returns for FY 2012-13	Notes:		

Compliance Calendar

AUGUST

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	**2**	**3**
4	**5** Payment of excise & ST liability other than e-payment	**6** e-payment of excise & ST liability	**7** Payment of taxes withheld in July 2013	**8**	**9**	**10** Filing of excise return
11	**12**	**13**	**14**	**15** Filing of KVAT Return	**16**	**17**
18	**19**	**20** Contribution to Provident Fund	**21** Contribution to ESI	**22**	**23**	**24**
25	**26**	**27**	**28**	**29**	**30**	**31** Professional tax for Apr-Sep'13

SEPTEMBER

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	**2**	**3**	**4**	**5** Payment of excise & ST liability other than e-payment	**6** e-payment of excise & ST liability	**7** Payment of taxes withheld in August'13
8	**9**	**10** Filing of excise return	**11**	**12**	**13**	**14**
15	**16** IT Advance Tax (Q2) | Filing of KVAT Return	**17**	**18**	**19**	**20** Contribution to provident fund	**21** Contribution to ESI
22	**23**	**24**	**25**	**26**	**27**	**28**
29	**30** File tax returns for FY 2012-13 (tax audit assessee)		Notes:			

Compliance Calendar

OCTOBER

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	**2**	**3**	**4**	**5** Payment of excise duty & ST liability
6	**7** Payment of taxes withheld in September'13	**8**	**9**	**10** Filing of excise return	**11**	**12**
13	**14** 4	**15** TDS Return for July-Sep'13 | KVAT Return	**16**	**17**	**18**	**19** Contribution to provident fund
20	**21** Contribution to ESI	**22**	**23**	**24**	**25** File ST Return for Apr-Sep'13	**26**
27	**28**	**29**	**30**	**31**	Notes:	

NOVEMBER

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	**2**
3	**4**	**5** Payment of excise & ST (other than e-payment)	**6** Payment of excise & ST (e-payment)	**7** Payment of taxes withheld in October'13	**8**	**9** Filing of excise returns
10	**11**	**12**	**13**	**14**	**15** Filing of KVAT Returns	**16**
17	**18**	**19**	**20** Contribution to provident fund	**21** Contribution to ESI	**22**	**23**
24	**25** File ST Returns for apr-Sep'13	**26**	**27**	**28**	**29**	**30** File corporate tax return (TP Cases) for FY 2012-13

Compliance Calendar

DECEMBER

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	**2**	**3**	**4**	**5** Excise & ST liability (other than e-payment)	**6** e-payment of excise & ST liability	**7** Payment of taxes withheld in November'13
8	**9**	**10** Filing of excise return	**11**	**12**	**13**	**14**
15	**16** IT Advance Tax (Q3) | Filing fo KVAT Return	**17**	**18**	**19**	**20** Contribution to provident fund	**21** Contribution to ESI
22	**23**	**24**	**25** File ST Returns for Apr'12 - Sep'12	**26**	**27**	**28**
29	**30**	**31**	Notes:			

JANUARY

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	**2**	**3**	**4** Excise & ST liability (other than e-payment)
5	**6** e-payment of excise & ST liability	**7** Payment of taxes withheld in December'13	**8**	**9**	**10** File excise returns	**11**
12	**13**	**14**	**15** File TDS Returns for Oct-Dec'13 | File KVAT Returns	**16**	**17**	**18**
19	**20** Contribution to provident fund	**21** Contribution to ESI	**22**	**23**	**24**	**25**
26	**27**	**28**	**29**	**30**	**31**	Notes:

Compliance Calendar

FEBRUARY

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	**3**	**4**	**5** Excise & ST liability (other than e-payment)	**6** e-payment of excise & ST Liability	**7** Payment of taxes withheld in January'14	**8**
9	**10** File excise returns	**11**	**12**	**13**	**14**	**15** File KVAT Returns
16	**17**	**18**	**19**	**20** Contribution to provident fund	**21** Contribution to ESI	**22**
23	**24**	**25**	**26**	**27**	**28** Professional tax dues for October-March'14	Notes:

MARCH

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	**3**	**4**	**5** Excise & ST liability (other than e-payment)	**6** e-payment of excise & ST liabilty	**7** Payment of taxes withheld in February'14	**8**
9	**10** Filing of excise returns	**11**	**12**	**13**	**14**	**15** IT Advance Tax (Q4) | Filing of KVAT Returns
16	**17**	**18**	**19**	**20** Contribution to provident fund	**21** Contribution to ESI	**22**
23	**24**	**25**	**26**	**27**	**28**	**29**
30	**31** Excise & ST Liability (including e-payment) | Last date for paying advance tax					

G. Joseph & Associates
Chartered Accountants

Glossary

BCD	: Basic Customs Duty
Budget 2013	: Union Budget for 2013 - 14
Crores	: Ten millions
CTT	: Commodities Transaction Tax
CVD	: Countervailing Duty
DDT	: Dividend Distribution Tax
DTAA	: Double Taxation Avoidance Agreement
ED	: Excise Duty
ESI	: Employee State Insurance
FY	: Financial Year
GAAR	: General Anti – Avoidance Rule
GDP	: Gross Domestic Product
GJA	: G. Joseph & Associates
INR	: Indian Rupee
IT Act	: Income Tax Act, 1961
KVAT	: Kerala Value Added Tax
Lakhs	: Hundred thousands
PAN	: Permanent Account Number
Qx	: Quarter xx
SUV	: Sports Utility Vehicle
ST	: Service Tax
STT	: Securities Transaction Tax
TDS	:Tax Deducted at Source
USD	: US Dollar
VAT	: Value Added Tax
WPI	: Wholesale Price Index

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We have used following sources while preparing this document

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3. The Finance Minister's Budget speech, 2013

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