

## All India Federation of Tax Practitioners



# AIFTP TIMES

Volume 7 – No. 5 • May 2016

## FORTHCOMING PROGRAMMES

Date & Month	Programme	Place
31-5-2016 to 4-6-2016	International Tax Conference, Tashkent – 2016	Tashkent
28-5-2016	Full Day Seminar on Issues in Direct & Indirect Taxes	Visakhapatnam

## AIFTP JOURNAL SUBSCRIPTION 2016-17

Dear Members,

The AIFTP Journal is the mouthpiece of the All India Federation of Tax Practitioners and it is also a source of information for updating our subscribers with the latest developments on Direct and Indirect Taxes.

The unique feature of our Journal is that every quarter, we publish the gist of important case laws reported in more than 30 tax magazines. We publish opinions of eminent professionals, thought provoking speeches of Hon'ble Judges of Apex Court and High Courts, important articles on Direct and Indirect Taxes, articles on Wealth Management and answers by eminent professionals on various controversial issues. We are sure that in the era of information technology, our journal would definitely help you to update your knowledge on latest case laws and development of law. Therefore, we take this opportunity to emphasise that subscription to the journal is compulsory.

**Please note that AIFTP Journal subscription for the year 1st April, 2016 to 31st March, 2017 falls due for payment on 1st April, 2016.**

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Thanking you,

Yours Sincerely,

For ALL INDIA FEDERATION OF TAX PRACTITIONERS

**CA. S. B. Kabra**

*Treasurer*

Note :

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## FULL DAY SEMINAR ON ISSUES IN DIRECT & INDIRECT TAXES

AT VAISAKHI, (JALA UDYANA VANAM), SURYABAGH, VISAKHAPATNAM  
ON SATURDAY, 28TH MAY, 2016

All are cordially invited

**Theme – Learn with Excellence – A Gateway of Success**

*Organised Jointly By*

**ALL INDIA FEDERATION OF TAX PRACTITIONERS – SOUTH ZONE  
AP TAX PRACTITIONERS & CONSULTANTS ASSOCIATION, GUNTUR  
VISAKHA TAX PRACTITIONERS AND CONSULTANTS' ASSOCIATION, VISAKHAPATNAM**

### PROGRAMME SCHEDULE

09.00 AM to 10.00 AM	:	Registration and Breakfast
10.00 AM to 10.30 AM	:	<b>Inaugural Session</b> Chief Guest: Dr. M. V. K. Moorthy, Supreme Court Advocate, New Delhi and National President, AIFTP, Mumbai.
10.30 AM to 11.00 AM	:	Tea Break
11.00 AM to 12.00 Noon	:	<b>First Technical Session : Income-tax</b> Topic – Section 50C, 43CA and 56(2)(vii) of Income-tax Act, 1961 – Paper Writer - Shri G. V. N. Hari, Advocate, Visakhapatnam
12.00 Noon to 01.30 PM	:	<b>Service Tax</b> Topic – Practical Intricacies under the Service Tax. Paper Writer – CA. Sangu Rama Krishna, Visakhapatnam
01.30 PM to 02.30 PM	:	Lunch Break
02.30 PM to 03.30 PM	:	<b>Second Technical Session : Central Excise, VAT &amp; CST</b> Topic – Central Excise Basics Paper Writer – Shri B. S. Seetapati Rao, Tax Consultant, Kakinada
03.30 PM to 04.00 PM	:	Topic – VAT & CST Paper Writer – Shri K. Bhimasankar, Advocate, Visakhapatnam
04.00 PM	:	High Tea

#### R.S.V.P.

Shri V. Nagendra Prasad <i>Chairman, AIFTP-SZ</i>	Shri D. Amarnath <i>Secretary, AIFTP-SZ</i>	Shri S. S. Satyanarayana <i>National Vice-President, AIFTP</i>	
Shri A. V. S. Krishna Mohan <i>State President, APTPCA</i>	Shri B. Seetapati Rao, <i>Vice-President, APTPCA</i>	Shri D. Srinivasa Rao, <i>Secretary (G), APTPCA</i>	Shri R. Srinivasa Rao <i>Secretary, APTPCA</i>
Shri P. Nagesh <i>President, VTPCA</i>	Shri K. Kesava Rao <i>Vice-President, VTPCA</i>	Shri M. Nageswara Sarma <i>Secretary, VTPCA</i>	

### Congratulations

Hearty Congratulations to the newly elected office bearers of The Income Tax Bar Association, Allahabad, for the year 2016-17

President	:	Sanjay Kumar, Advocate
Senior Vice-President	:	Dilip Kumar Gupta, Advocate
Vice President	:	Rajendra Kumar Chopra, Advocate
General Secretary	:	Arvind Kumar Mishra, Advocate
Joint Secretary	:	Pawan Kumar Mishra, Advocate
Treasurer	:	Ajay Kumar Shukla, Advocate
Ex-Officio Member	:	Atul Kumar Sahu, Advocate
Executive Members	:	Ajay Kumar Gupta, Advocate; Rajesh Mishra, Advocate; Ramesh Kr. Shukla, Advocate; Siddharth Pathak, Advocate; Udai Raj Tiwari, Advocate; Umesh Sharma, Advocate

## DIRECT TAXES

Ms. Neelam Jadhav, *Advocate*, KSA Legal Chambers

### High Court

#### **S.80P: Deductions – Return filed beyond period can also be accepted and acted upon for entertaining claim raised u/s. 80P**

The assessee-society filed its return claiming exemption in terms of 80P(a). The Assessing Officer as well as the Tribunal took a view that assessee was a co-operative bank, rejected its claim for exemption. The Hon'ble High Court held that a return filed by assessee beyond period stipulated u/s. 139(1) or 139(4) or u/s. 142(1) or 148 can also be accepted and acted upon for entertaining claim raised under section 80P provided further proceedings in relation to such assessments are pending in statutory hierarchy of adjudication in terms of provisions of Act (r.w.s.139).

*Chirakkal Service Co-operative Bank Ltd. v. CIT ITA No. 212 of 2013 (Ker.)(HC)*

### Tribunal

#### **S.14A: Disallowance cannot exceed the exempt income**

Expenditure was incurred by the assessee in relation to earning of dividend income by way of interest, which is not directly attributable to any source of income. The Assessing Officer while framing the assessment invoked section 14A r.w.r. 8D by contending that the assessee claimed various expenses, which relates to exempt income. Considering the totality of facts, the conclusion drawn

by the ITAT that the disallowance to be restricted to exempt income and cannot exceed the exempt income. (AYs. 2009-10 & 2010-11)

*M/s. Arcadia Share & Stock Brokers P. Ltd. v. Addl. CIT, ITA No.5871/MUM/2012 dtd. 23-3-2016, Source: www.itat.nic.in*

#### **S.54F: The demolition of a structure does not amount to a “transfer”, exemption cannot be denied**

The assessee is co-owner of the premises standing in the name of M/s. Parekh Brothers in the building known as Tirupati Shopping Complex which was acquired by the assessee along with his sister-in-law. The same has been sold and the assessee has acquired the residential Bungalow (new asset) at Juhu along with his sister-in-law. The CIT(A) denied the benefit to the assessee due to the fact that the bungalow which was purchased has been demolished within a period of three years hence the section 54F(3) been violated. The Hon'ble ITAT by following the decision of the jurisdiction Bombay High Court of Mrs. Chhaya B. Parekh held that demolition of bungalow will not tantamount to transfer. Therefore, the assessee cannot be denied the entitlement to deduction u/s. 54F on the purchase of same Juhu bungalow property (new asset) on pretext that the same was 'symbolic purchase of residential property' and not the 'real purchase of residential property. (A.Y. 2007-08)

*Shri Dilip Manhar Parekh v. Dy. CIT ITA No.6169/Mum/2013, Source: www.itat.nic.in*

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### **Late Moti Lal Nahar – An obituary**

Mr. M. L. Nahar was born on 3rd January 1940. He was the Life Member of All India Federation of Tax Practitioners (AIFTP) and served as its National Executive Committee Member during the term (1996-99) during the Presidentship of Prof. Sukumar Bhattacharya.

He was associated with many organisations.

Mr. Nahar was a visionary and in the year 1969 he founded “Sales Tax Advice” which he continuously published serving Sales Tax Department, Professionals as well as Business community. Newspapers Association of India at Constitutional Club,

New Delhi honoured him with the “NAI 2004 Award” for Journalism and Mass Communication. He was a multi-talented and versatile personality.

He has left for heavenly abode on 17th of April, 2016. He has left behind him his wife Mrs. Pushpa Nahar, two sons Rakesh & Sandeep as also other family members.

AIFTP National President and the members of NEC and editorial board convey their heartfelt condolences on passing away of the legendary.

### Publications for sale

Sr. No.	Name of Publication	Rates (₹)			
		Edition	Members	Non-Members	Courier Charges
1.	Basic questions and answers on FEMA, Non-Resident Taxation, LLP, Allied Laws & Report of Foreign Bank and Financial Accounts	Dec., 2014	200.00	225.00	60.00
2.	“212 Frequently Asked Questions on Survey – Direct Taxes”	Dec., 2015	240.00	270.00	60.00

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2. Local/Outstation members not collecting from office are requested to add courier charges, as mentioned above.  
3. Please draw Cheque/Draft in favour of “All India Federation of Tax Practitioners” payable at Mumbai.

Advertisement Tariff for AIFTP Journal (W.e.f. 15th July, 2013)		
	Particulars	Per Insertion
1.	Quarter page	₹ 1,500/-
2.	Ordinary half page	₹ 2,500/-
3.	Ordinary full page	₹ 5,000/-
4.	Third cover page	₹ 7,500/-
5.	Fourth cover page	₹ 10,000/-
There shall be Discounts on bulk advertisements.		

Membership of AIFTP as on 28-4-2016 Life Members					
	Associate	Individual	Association	Corporate	Total
Central	0	862	23	3	888
Eastern	3	1244	36	3	1286
Northern	0	1019	17	0	1036
Southern	1	1049	16	7	1073
Western	4	1796	34	18	1852
Total	8	5970	126	31	6135

#### DISCLAIMER

The opinions and views expressed in this Times are those of the contributors. The Federation does not necessarily concur with the opinions/views expressed in this journal.

Non-receipt of the Times must be notified within one month from the date of publication, which is 4th of every month.

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**ALL INDIA FEDERATION OF TAX PRACTITIONERS**

215, Rewa Chambers, 31, New Marine Lines, Mumbai 400 020. • Tel.: 22006342  
Telefax: 22006343 • E-mail: aiftp@vsnl.com • Website: www.aiftponline.org