

TAX CHAT - Updates



Monthly Newsletter from SSJCO

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April 2023

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Date: 25th April, 2023

Dear Madam / Sir,

In the beginning of the new year, the Hon'ble President of India has given consent to amended Finance Bill 2023 and finally The Finance Act, 2023 is enacted. Let us now endeavor to comply with the provisions of the Act.

A very important requirement of keeping audit trail is made effective from 1st April, 2023 and we trust by now all companies have complied with the same.

In this April 2023 edition of Tax Chat, we are attempting to summarize the direct tax updates in this month. Rishabh is enlightening us in his article on "Financial Freedom in True Sense".

Trust you will find this edition useful and as in all these years, we will be happy to receive your valuable inputs for improvement.

Happy Reading!

Stay Safe, Connected & Updated

With Regards,

Team - S S Jhunjunwala & Co.

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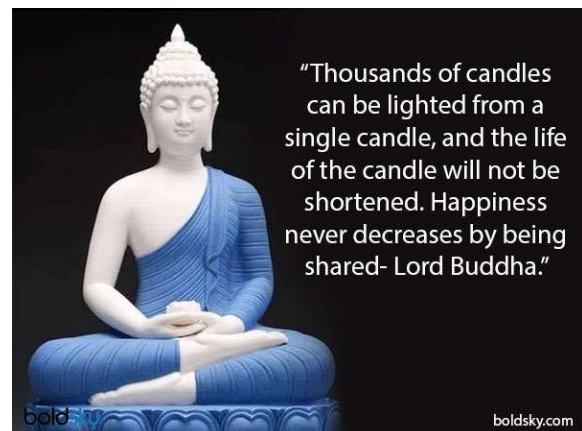
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Happy Buddha Purnima

Circulars, Notifications and Others:

(Compiled by: Ms Sonakshi Jhunjhunwala)

1. Both Direct and Indirect Tax Departments employ Data Analytics, Big Data and Artificial Intelligence/Machine learning in tax administration to make it more effective, free of official discretion, business and taxpayers friendly: Press Release, dated 27th March, 2023:

The Government is using data analytics, big data and Artificial Intelligence/Machine Learning in tax administration to make it more effective, free of official discretion, business and taxpayers friendly. This was stated by the Union Minister of State for Finance Shri Pankaj Chaudhary in a written reply to a question in Lok Sabha.

Data analytics is being used to identify fiscal risks suspicious trends and patterns and risky entities in Customs and GST by leveraging big data, the Minister added.

In Direct Taxes the development are as under:

The Minister stated that CBDT is using techniques as data analytics, big data and Artificial Intelligence/Machine Learning for:

- Identifying cases with High Risk of tax evasion and high likelihood of income addition, for further scrutiny.
- Identifying taxpayers to send reminders for advance tax payments.
- Prompting specific taxpayers about apparent mismatches in ITRs and transactions made, so that taxpayers may revise their returns.
- Using big data techniques for storage and effective search of information by income tax officers.
- Using data analytics over networks of taxpayers visualize the taxpayers relationships and to flag potential high-risk transactions.
- Using data analytics techniques for segmentation of taxpayers to focus campaign on high- risk cases from tax evasion perspective.

2. Last date for Linking of PAN-Aadhaar extended: Press Release dated 28th March, 2023:

CBDT extends the last date for linking PAN and Aadhaar to Jun 30, 2023 to provide some more time to the taxpayers.

3. **Section 139AA of Act, read with Rule 114AAA of the Income Tax Rules, 1962 - Quoting of Aadhaar Number - Clarification with respect to relaxation of provisions of Rule 114AAA prescribing the manner of making Permanent Account Number (PAN) inoperative - Supersession of Circular No. 7 of 2022 [F.No.370142/14/2022-TPL], dated 30th March, 2022: Circular No. 3 of 2023 [F.No. 370142/14/2022- TPL], dated 28th March, 2023:**

Pursuant to Press Release dated 28th March, 2023, CBDT has issued Circular that specifies that the consequences of PAN becoming inoperative as per the amended Rule 114AAA shall take effect from 01st July, 2023 and continue till the PAN becomes operative. The Circular is issued in supersession of Circular No. 7/2022 dated 30th March, 2022 wherein it was provided that consequences of non-intimation of Aadhaar shall come into effect on 01st April, 2023.

4. **Income-Tax (Fourth Amendment) Rules, 2023 - Amendment in Rule 114AAA: Notification G.S.R. 227(E) [No. 15/2023/F.No. 370142/14/2022-TPL], dated 28th March, 2023:**

CBDT has substituted Rule 114AAA to notify consequences that apply if a PAN of a person becomes inoperative due to non-linking with his Aadhaar.

Rule 114AAA(4) lists the following consequences during the period that PAN remains inoperative

- a. no refund shall be granted against inoperative PANs;
- b. interest shall not be payable on such refund for the period during which PAN remains inoperative; and
- c. Tax shall be deducted /collected at a higher rate, as provided in the Income-tax Act.

It should be noted that those persons who have been exempted from PAN-Aadhaar linking will not be liable for the consequences mentioned above. This category includes an Individual residing in States of Assam, Jammu and Kashmir and Meghalaya, a non-resident individual as per the Act and an Individual whose age is 80 years or above at any time during the previous year; an individual who is not a citizen of India.

5. **Direct Tax Deducted at Source from transfer of Virtual Digital Assets aggregates to Rs. 157.9 crore upto 20th march 2023 for FY 2022-23: Press Release, dated 28th March, 2023:**

The Direct tax collected by way of tax deducted at source under section 194S of the Act on payments made upon transfer of Virtual digital Assets (VDA), aggregates to Rs. 157.9 crore upto 20th March, 2023 for FY 2022-23.

Crypto assets are currently unregulated in the country, however, transactions in cryptocurrencies are subjected to provisions of various laws like the Prevention of Money Laundering Act, 2002 and Income-Tax Act, 1961.

6. Partial relaxation with respect to electronic submission of Form 10F by select category of taxpayers in accordance with DGIT (Systems): Notification No. 3 of 2022: Circular F. No. DGIT(S)-ADG(S)-3/E-filing Notification/Forms/2023/13420, dated 28th March, 2023:

Directorate of Income Tax (Systems), in partial relaxation of its earlier Notification No.3/2022, extends the exemption to Non-Resident taxpayers, who are not having PAN and not required to have PAN as per the law, from mandatory e-filing of Form 10F to 30th September, 2023. The notification provides that considering the practical challenges and to mitigate the genuine hardship being faced by such taxpayers, the exemption from mandatory e-filing of Form 10F was provided till 31st March, 2023 vide Notification dated 12th December, 2022 and considering the continued practical challenges, the exemption has now been extended till 30th September, 2023. It reiterates that such persons may make statutory compliance of filing Form 10F in manual form as was being done prior to issuance of the Notification No. 3/2022.

7. Section 195 of the Act - Deduction of Tax at Source - Other Sums - Procedure, format and standards for filling an Application in Form No. 15C or Form No. 15D for grant of Certificate for No-deduction of Income Tax under sub-section (3) of section 195 through traces: Notification No. 1/2023 [F.No. Pr. DGIT(S)CPC(TDS)/Notification/2022-23], dated 29th March, 2023:

Directorate of Income Tax (Systems), has prescribed procedure, format and standards for electronic filing of application in Form 15C and Form 15D for tax non-deduction certificate under Section 195(3) through TRACES, under digital signature or through electronic verification code. It specifies that the new procedure shall be applicable with effect from 01st April, 2023. It specifies procedure for filing the application as well as assignment of such application to AO-TDS and subsequent administrative approval by Range Head and jurisdictional CIT. It states that upon approval from CIT, the certificate shall be available for download to the applicant on their TRACES login and clarifies

that the certificate will be system generated and hence will not require a signature.

8. CBDT signs 95 Advance Pricing Agreements in FY 2022-23: Press Release, dated 31st March, 2023:

CBDT signed a record 95 APAs in FY 2022-23 with Indian taxpayers. This includes 63 Unilateral APAs (UAPAs) and 32 Bilateral APAs (BAPAs). Thus, total number of APAs since inception of the APA programme has gone up to 516, comprising 420 UAPAs and 96 BAPAs. FY 2022-23 has been a record year as CBDT recorded the highest ever APA signings in any financial year since the launch of the APA programme and also signed the maximum number of BAPAs in any financial year till date. BAPAs were signed as a consequence of entering into Mutual Agreements with India's treaty partners namely Finland, the UK, the US, Denmark, Singapore, and Japan.

9. Specified date for purpose of sub-rule (4) to rule 114AAA of the Income Tax Rules, 1962: Order F. No. 370142/14/2022-TPL, dated 01st April, 2023:

CBDT has notified 01st July, 2023 as 'specified date' from which consequences prescribed under Rule 114AAA(3) on non-linking of PAN & Aadhaar shall take effect. This order is issued in supersession of its earlier order dated 30th March, 2022.

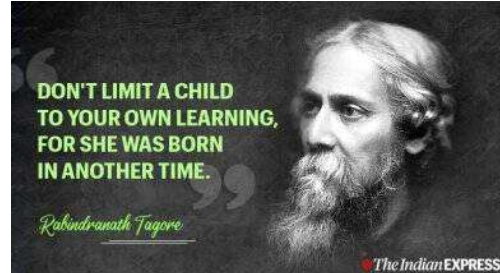
10. Direct Tax Collections (Provisional) for the Financial Year (FY) 2022-23 exceed union budget estimates by Rs. 2.41 lakh crore i.e. by 16.97 per cent - Direct Tax Collections (Provisional) for the FY 2022-23 exceed revised estimates by 0.69 per cent - Gross Direct Tax Collections (Provisional) for the FY 2022-23 stand at Rs. 19.68 lakh crore registering a growth of 20.33 percent net Direct Tax Collections (Provisional) for the FY 2022-23 stand at Rs. 16.61 lakh crore marking a growth of 17.63 percent - refunds aggregating to Rs. 3,07,352 crore issued in FY 2022-23: Press Release, dated 03rd April, 2023:

The Ministry of Finance released the provisional figures of Direct Tax collections for the Financial Year (FY) 2022-23. It shows that the Net collections are at Rs. 16.61 lakh crore, compared to Rs. 14.12 lakh crore in the preceding Financial Year, i.e. FY 2021-22, representing an increase of 17.63%.

The Gross collection (Provisional) of Direct Taxes (before adjusting for refunds) for the FY 2022-23 stands at Rs. 19.68 lakh crore showing a growth of 20.33% over the gross collection of Rs. 16.36 lakh crore in FY 2021-22.

Further, the gross Personal Income Tax collection (including STT) (Provisional) in FY 2022-23 is Rs.9,60,764 crore. It has shown a growth of 24.23% over the gross Personal Income Tax collection (including STT) of Rs. 7,73,389 crore of the preceding year.

In addition, refunds of Rs. 3,07,352 crore have been issued in the FY 2022-23 showing an increase of 37.42% over the refunds of Rs. 2,23,658 crore issued in FY 2021-22.



11. UAE Ministerial Decision No. 73 of 2023 on Small Business Relief for the Purposes of Federal Decree - Law No. 47 of 2022 on the Taxation of Corporations and Businesses: Issued on 03rd April, 2023:

UAE notifies Small Business Relief for residents with annual revenue upto AED 3 Mn, starting from 01st June, 2023. Small Business Relief is meant to support start-ups and other small or micro businesses by reducing their Corporate Tax burden and compliance costs. UAE's Ministry of Finance issues Ministerial Decision No. 73 of 2023 in exercise of powers under Article 21 of the UAE Corporate Tax Law and also stipulates that an artificial separation of business for taking Small Business Relief would amount to an abusive tax practice.

12. Clarification regarding Amendment to Section 10(26AAA) of the Act by the Finance Act, 2023: Press Release, dated 4th April, 2023:

CBDT has issued a clarification with regard to the recent amendment made to the definition of "Sikkimese" under section 10(26AAA) by the Finance Act, 2023. The Board has clarified that the term "Sikkimese" defined for the purposes of the said section, is only for the purposes of the Income-tax Act, 1961, and not for any other purpose.

13. Clarification regarding Deduction of TDS under section 192 read with Sub-Section (1A) of Section 115BAC of the Act - Supersession of Circular No. C1 of 2020, dated 13th April, 2020: Circular No. 4 of 2023 [F.No. 370142/06/2023-TPL], dated 05th April, 2023:

CBDT issues clarification regarding employer's TDS liability on salary in the light of new default personal tax regime introduced by the Finance Act, 2023 under Section 115BAC(1A). CBDT directs that an employer, shall seek

information from each of its employees having income under Section 192 regarding their intended tax regime and each such employee shall intimate the same to his employer for each year and upon intimation, the employer shall compute the employee's total income and deduct tax at source according to the option exercised. It clarifies that in the absence of intimation by the employee, it shall be presumed that the employee continues to be in the default tax regime and has not exercised the option to opt out of the new tax regime. Thus, the employer shall deduct tax at source, on income under section 192 in accordance with the rates provided under 115BAC(1A). It further clarifies that employee's intimation would not amount to exercising option in terms of Section 115BAC(6) and the person shall be required to do so separately in accordance with law. This Circular is applicable for TDS during FY 2023-24 and subsequent years.

- 14. Section 285BA of the Act, read with Sub-Clause (ii) of Clause (d) of the Explanation to Clause (6) of Rule 114F of the Income Tax Rules, 1962 - Statement of Financial Transaction or Reportable Account - Obligation to Furnish - Specified Foreign Jurisdictions for the purposes of Sub-Clause (ii) - Amendment in Notification No. 78/2018, dated 05th November, 2018: Notification No. 17/2023 [F. No. 500/05/2018-FT&TR-III], dated 06th April, 2023:**

CBDT notifies 21 more jurisdictions for the purpose of 'passive non-financial entity' definition under Rule 114F. Earlier, vide Notification No.78/2018, CBDT had notified 87 jurisdictions and now notifies a new list of total 108 jurisdictions. Israel, Turkey, Hong Kong, Oman and Qatar are amongst the new notified jurisdictions.

- 15. Section 48 of the Act - Capital Gains - Computation of - Notified Cost Inflation Index under section 48, Explanation (v) - Financial Year 2023-24 - Amendment in Notification S.O. 1790(E), dated 5-6-2017: Notification S.O. 1692 (E) [No. 21/2023/F.No. 370142/5/2023-TPL], dated 10th April, 2023:**

The Cost Inflation Index for FY 2023-24, relevant to AY 24-25 is notified at "348".

- 16. Release of Direct Tax Statistics: Press Release, dated 13th April, 2023:**

CBDT releases key statistics relating to Direct Tax collection and administration, as updated upto FY 2021-22. The key statistics are as follows:

(i) Increase in Net Direct Tax Collections by 121.18% from Rs.6.38 Lac Cr. in FY 2013-14 to Rs.14.12 Lac Cr. in F.Y. 2021-22 and by 160.17% for FY 2022-23 to Rs.16.61 Lac Cr as per the provisional figures,

(ii) Increase in Gross Direct Tax Collections by over 126.73% in FY 2021-22 at Rs.16.36 Lac Cr. as compared to Rs.7.21 Lac Cr. in FY 2013-14 and by over 172.83% in FY 2022-23 at Rs.19.68 Lac Cr. as per the provisional figures,

(iii) Direct Tax Buoyancy is at 2.52 in FY 2021-22, highest in over last 15 years,

(iv) Increase in Direct Tax to GDP ratio to 5.97% in FY 2021-22, from 5.62% in FY 2013-14,

(v) Fall in cost of collection from 0.57% of total collection in FY 2013-14 to 0.53% of total collection in FY 2021-22.

17. Saudi Arabia announces four new Special Economic Zones to attract foreign investment: Release dated 13th April, 2023 and 14th April, 2023:

The Crown Prince and Prime Minister Mohammad bin Salman bin Abdulaziz announced the launch of four new Special Economic Zones (SEZs) in Saudi Arabia to enhance Saudi Arabia's position as a global investment destination.

These SEZs are in Riyadh, Jazan, Ras al-Khair, and King Abdullah Economic City. SEZs are launched to provide opportunities for foreign investment and facilitate the acceleration of the required reforms to enable doing business in all parts of the country

The SEZs will reinforce existing national strategies and establish new linkages with international frameworks while capitalizing on the competitive advantages of each region to support key sectors such as logistics, advanced manufacturing, technology, and other priority sectors for the Kingdom.

Companies operating in the new SEZs will benefit from a range of advantages, including competitive corporate tax rates, exemption from customs duties on imports, production inputs, machinery, and raw materials, 100% foreign ownership of companies, and the flexibility to attract and hire the best talent from around the world.

18. Gold and Silver rates as on March 31, 2023: News, dated 15th April, 2023:

The Gold and Silver rates as on March 31, 2023 are out. The rate of gold (995 standard 24 carats) is Rs. 59,512 per 10 grams, and gold (999 standard 24 carats) is Rs. 59,751 per 10 grams.

The rate of Silver (999) is Rs. 71,582 per 1 Kg.

19. South Africa releases interpretation note on the definition of "Associate Enterprise": Interpretation Note on the Definition of "Associate Enterprise":

On 17th April 2023, the South African Revenue Service (SARS) released an Interpretation Note 128 defining the meaning of "Associated Enterprise" for the purpose of Section 31 of the Income-tax Act that contains transfer pricing rules.

An "associated enterprise" is defined in Section 31 as "an associated enterprise as contemplated in Article 9. Whereas Article 9 describes two enterprises as being "associated enterprises" where:

- (a) An enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State; or
- (b) The same persons participate directly or indirectly in the management, control or capital of an enterprise of one Contracting State and an enterprise of the other Contracting State.

Article 3 provides that "the term 'enterprise' applies to the carrying on of any business".

For example, if one or more persons participate in the management of an enterprise of a Contracting State and the same person or persons participates in the management of an enterprise of the other Contracting State, the two enterprises are associated enterprises in relation to one another.

According to Interpretation Note 128, the meaning of "associated enterprise" defined in Section 31 of the Income Tax Act is not limited to enterprises covered with a relevant double tax agreement. In this context, the terms "Contracting State" and "other Contracting State" refer to different countries.

It is also clarified that to be classified as an associated enterprise in relation to another enterprise, any of the three criteria, namely participation in

management, participation in control or participation in the capital, must be met.

20. The Central Government hereby notifies following entity as eligible under section 10(46) of the Income Tax Act, 1961:

<i>Sl. No</i>	<i>Name of the Entity</i>	<i>Notification No. and date</i>	<i>Period for which income is notified as exempt</i>
1	Bhadohi Industrial Development Authority (PAN: AAALB0141M)	Notification No. S.O. 1585(E) [No. 16/2023/F. No. 300196 /11/2019-ITA-I], dated 01 st April, 2023	Notification shall be deemed to have been applied for the financial year 2020-21 (for period from 01-06-2020 to 31-03-2021) and for the financial years 2021-2022 and 2022-23.
2	Greater Noida Industrial Development Authority (PAN: AAALG0129L)	Notification No. S.O. 1687(E) [No. 18/2023/F. No. 300196 /27/2021-ITA-I], dated 10 th April, 2023	Notification shall be deemed to have been applied for the financial year 2020-21 to 2022-23.
3	Central Board of Secondary Education (PAN: AAAAC8859Q)	Notification No. S.O. 1689(E) [No.19/2023/F. No. 196 /19/2014-ITA-I], dated 10 th April, 2023	Notification shall be deemed to have been applied with respect to the financial year 2013-14.
4	Central Board of Secondary Education (PAN: AAAAC8859Q)	Notification No. S.O. 1690(E) [No.20/2023/F. No. 196 /19/2014-ITA-I], dated 10 th April, 2023	Notification shall be deemed to have been applied for the financial year 2020-21 (for period from 01-06-2020 to 31-03-2021) and for the financial years 2021-2022 and 2022-23 and shall be applicable with respect

			to the financial years 2023-24 and 2024-25.
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The terms and conditions have been prescribed.

21. Brazil enacts significant TP changes, introduces arm’s length principle in line with OECD rules

The Chamber of Deputies passed Provisional Measure No. 1,152, which would enact significant changes to the Brazilian transfer pricing system – shifting from Brazil’s historical, formula-based transfer pricing rules to an arm’s length standard consistent with the OECD Guidelines.

The government of Brazil issued Provisional Measure No. 1,152 on 29 December 2022, and the Brazilian parliament (both the Chamber of Deputies and the Senate) then had 120 days to transpose the draft legislation into law.

In addition to introducing the arm’s length principle to Brazil’s transfer pricing system, Provisional Measure No. 1,152 would establish new transfer pricing methods and documentation requirements, and considerable changes to the treatment of intangible assets, financial transactions, and business restructuring.

The conversion of provisional measures into law gained steam in the last week when the government and opposition agreed on voting the provisional measures still implemented by the former government. The provisional measure was accepted by a vote of 369-10. The now Bill of Conversion No. 8/2023 (*Projeto de Lei de Conversão n. 8/2023*) includes the following changes after the latest discussions:

- a. Royalties paid to related parties in low-tax jurisdictions and operating under special tax regimes (as defined by Brazilian law) are deductible as long as they are in accordance with the arm’s length principle.
- b. Tax authorities cannot perform a secondary adjustment in case transfer prices are deemed not in accordance with the arm’s length principle.
- c. For commodities, the comparable uncontrolled price (CUP) method remains the most appropriate method unless the facts and circumstances of the transaction, as well as functions, risks, and assets vis-à-vis other group

companies in the value chain, render another transfer pricing method more appropriate.

The Senate now has 60 days to pass the legislation. It is not clear at present if the Senate will accept the bill without any changes or if it will reject the bill and ask the Chamber of Deputies to consider adjustments.

22. **Serbia publishes rulebook on arm's length interest rates for 2023, effective from 06th April, 2023**

Serbia's Ministry of Finance adopted the rulebook on arm's length interest rates for 2023. The rulebook was published in the official gazette dated 29th March 2023 and is effective 6th April 2023.

According to the provisions of article 61 of the corporate income tax law, in determining arm's length interest income or expense, taxpayers can:

- a. Use interest rates as prescribed by the rulebook
- b. Apply general OECD-based methods for assessment of arm's length interest as prescribed by the corporate income tax law

The selected option must be consistently applied to all intercompany loans, and prescribed interest rates must be applied to income and expense recognized during 2023 regardless of the period from which loan(s) originate.



हल्दीघाटी के युद्ध में
दुश्मन में कोहशम मत्तारा था
देश वीरता राजपूताने की
दुश्मन भी धराला था
महाराणा प्रताप जयंती की शुभकामनाएं

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Maharana Pratap Jayanti

The rulebook prescribes separate interest rates for long-term and for short-term borrowings for all non-finance entities and a single interest rate for banks and finance leasing companies (except for RSD denominated loans when interest rate is prescribed separately for short-term and long-term loans).

23. **Poland publishes guidance on application of RPM for TP purposes**

The Minister of Finance on 24th March 2023 published guidance on how the resale price method (RPM) should be applied for transfer pricing purposes,

including criteria for comparability of transactions and entities, possible difficulties and errors in using the RPM, and a comparison with other transfer pricing methods.

The guidance considers the recommendations of the Transfer Pricing Forum of 3rd March 2020 regarding the RPM and remarks made during the tax consultation process held.

24. Spain launches public consultation on Pillar Two, ensures global minimum level of taxation for MNEs

The Ministry of Finance launched a public consultation on the transposition into Spanish law of EU Directive 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the EU.

The public consultation period ran from 6th March, 2023 to 24th March, 2023.

The public consultation has been opened prior to the drafting of a proposal for the transposing law – to seek the opinion of stakeholders who may be affected by the future legislation – and marks the beginning of the regulatory work necessary to comply with the requirement to transpose the directive into domestic law by 31st December 2023.

According to the Pillar Two directive, the relevant transposing legislation must be in force by 31 December 2023 so that it may be applied to tax periods commencing as of that date, with the exception of the undertaxed profit rule (UTPR) which, in practice, is expected to apply to tax periods starting as of 1st January 2025.

25. Montenegro enacts amendments to tax laws, includes TP changes in local file requirements

The Parliament enacted amendments to the tax law (published in the official gazette no. 028/23 dated 10th March 2023) that include a measure requiring that transactions between a Montenegrin branch office and its non-resident headquarters be included in the transfer pricing documentation Local file.

ARTICLE:

Financial Freedom in True Sense

(by: CA Rishabh Adukia)

We have all heard the phrase “financial freedom” several times in the recent past as most millennial’s want to retire early to pursue their dreams, hobbies or retire at the most exotic destinations around the world.



What is Financial Freedom?

Simply said, Financial Freedom is the accumulation of sufficient wealth to cover your living expenditures for the rest of your life. You’ve saved enough money to cover all of your EXPECTED BILLS(BASIS INFLATION) for the rest of your life. After that, you won’t have to worry about money.

How much money makes a person financially free is a deep question and there can be debate on this topic alone, but in the most simplest form, once a person acquires 35-40 times their yearly expenses requirement, they are said to be financially free.

Let me get to the point of this article and discuss the top 5 reasons why I believe most individuals should strive for financial independence early in life.

Financial Freedom Benefits

Benefit #1 : To buy Freedom in Life

We all work 10-14 hours of the day and night to make money. Money covers all of our costs. Rent, food, school fees for your children, and healthcare costs and everything

one can think off. If money is not everything in life, it is certainly a very important factor!!

Many people do not feel FREE in their lives. They become money slaves because making money becomes their major aim in life.

- They can't say NO to their work
- They can't say NO to the schedules
- They can say NO to their bosses

All the times, money dictates their life and decisions.

Sufficient money in life can give you a lot of freedom.

- Freedom of when to work
- Freedom of with whom to work with
- Freedom of when to wake up
- Freedom to take long vacations

You name it and you can feel freedom in that area

If you want to experience a lot of freedom in life in various areas, you shall work towards financial freedom.

#Benefit 2 : To bring more power in your career

A lot of people have this myth that one shall achieve financial freedom, so that they can quit their job and retire from work.

Not TRUE!

One has to reach financial freedom so that they can bring more energy and power in their career or anything new which they want to truly do in life.

Most of the people have to do things in life with the primary motive of earning money and not because they wish to do it.

- You feel that the new project in your company is quite exciting, but does not pay enough? What do you do? Forget it!!
- You feel you really enjoy taking risks and do something challenging in your workplace, but wait what if it fails and you are fired or do not get promoted next year? You forget it and you focus back on things which are “SAFE” for your career.

We are continuously looking for ways to boost our compensation package, even if it means avoiding activities that we would like doing if money were not an issue!

When the money component is gone and you have to do things just for the love of working and reaching greatness, your job takes on a completely new vitality. You achieve more quickly, and your job happiness grows. This is the actual method of working, but it does not happen for most people since MONEY stands in the way of what you truly want to achieve in life.

#Benefit 3 : More flexibility to pursue other passions

Financial Freedom also gives you freedom to pursue any long due passion which you were not able to fulfil while in the regular job.

“What will you do once you are financially free?” .I receive some unusual responses, such as

- I will become music teacher
- I would like to run a restaurant
- and even I would like to become a scuba diving instructor

Compulsion of “earning money” has crushed a lot of dreams and financial freedom is that point where one can explore those new careers or opportunities.

#Benefit 4 : Reduced stress and worry about money

This is a no brainer. Ask the question to yourself right now. If you loose your job and are never getting another one again, how many years worth of expenses do you currently have?

- 3 years?
- 10 years?
- or 2 months?

And wait! What about repaying all your outstanding home loan, and funding the expensive education of your children on top of that?

Its quite scary right!

We are all concerned about the future since we do not have enough money. The day you have enough money to support everything and live comfortably is the day you feel really safe and at peace. Money does not solve all issues in life, but it does solve MONEY problems.

#Benefit 5 : Pass a strong Legacy and build generational wealth

- Your grand-parents worked for money
- Your parents worked for money
- You now work for money

Where is your generational wealth? Do you have family legacy which takes care of atleast the basics of your family?

You will see various family where they work towards generational wealth. They have enough money which produces income for family, be it some business, equity wealth, real estate wealth or what not!

But lot of families are not able to create it because they dont have attitude like that. They earn and finish the money and at family level they always are in that never ending cycle.

If you achieve financial freedom early in life, there is a good chance that you may put seeds of generational wealth, but you also have to ensure that you teach right attitude towards money to your next generation.

Conclusion

Financial freedom is an essential part of everyone's life. We all need it, whether one accepts it or not. Also remember financial freedom is a marathon, not a sprint. An expert financial advisor is the perfect partner for the journey. Do let me know if you liked this article and if you can add any more benefits of financial freedom?

(The author Rishabh Adukia is a Chartered Accountant and qualified professional advising on wealth management to individuals, millennials, emerging HNIs including others and can be reached on adukia.rishabh@gmail.com)

Action Points under Income Tax Act, 1961

For the Month of May 2023:

15th May	TCS Quarterly Return for January to March 2023
31st May	TDS Quarterly Return for January to March 2023
31st May	Annual Statement of specific financial transactions in Form 61A for FY 2023-24
31st May	E-filing of Annual Statement of Donation & Donors in Form 10BD

....STORY FOR THE MONTH....

राम राज्य की नींव जनक की बेटियां ही थीं...

भगवान श्री राम को 14 वर्ष का वनवास हुआ तो उनकी पत्नी माँ सीता ने भी सहर्ष वनवास स्वीकार कर लिया।

परन्तु बचपन से ही बड़े भाई की सेवा में रहने वाले लक्ष्मण जी कैसे राम जी से दूर हो जाते! माता सुमित्रा से तो उन्होंने आज्ञा ले ली थी, वन जाने की.. परन्तु जब पत्नी उर्मिला के कक्ष की ओर बढ़ रहे थे तो सोच रहे थे कि माँ ने तो आज्ञा दे दी, परन्तु उर्मिला को कैसे समझाऊंगा!! क्या कहूंगा!! यदि बिना बताए जाऊंगा तो रो रोके जान दे देगी और यदि बताया तो साथ जाने की ज़िद्द करने लगेगी और कहेगी कि यदि सीता जी अपने पति के साथ जा सकती हैं तो मैं क्यों नहीं!!

यहीं सोच विचार करके लक्ष्मण जी जैसे ही अपने कक्ष में पहुंचे तो देखा कि उर्मिला जी आरती का थाल लेके खड़ी थीं और बोलीं- "आप मेरी चिंता छोड़ प्रभु की सेवा में वन को जाओ। मैं आपको नहीं रोकूंगी। मेरे कारण आपकी सेवा में कोई बाधा न आये, इसलिये साथ जाने की जिद्द भी नहीं करूंगी।"

लक्ष्मण जी को कहने में संकोच हो रहा था। परन्तु उनके कुछ कहने से पहले ही उर्मिला जी ने उन्हें संकोच से बाहर निकाल दिया।

वास्तव में यहीं पत्नी का धर्म है। पति संकोच में पड़े, उससे पहले ही पत्नी उसके मन की बात जानकर उसे संकोच से बाहर कर दे।

पत्नी का इतना त्याग और प्रेम देखकर लक्ष्मण जी भी रो पड़े। उर्मिला जी ने एक दीपक जलाया और विनती की कि मेरी इस आस को कभी बुझने नहीं देना।

लक्ष्मण जी तो चले गये परन्तु 14 वर्ष तक उर्मिला जी ने एक तपस्विनी की भांति कठोर तप किया। वन में भैया-भाभी की सेवा में लक्ष्मण जी कभी सोये नहीं परन्तु उर्मिला ने भी अपने महलों के द्वार कभी बंद नहीं किये और सारी रात जाग जागकर उस दीपक की लौ को बुझने नहीं दिया।

मेघनाथ से युद्ध करते हुए जब लक्ष्मण को शक्ति लग जाती है और हनुमान जी उनके लिये संजीवनी का पहाड़ लेके लौट रहे होते हैं, तो बीच में अयोध्या में भरत जी उन्हें राक्षस समझकर बाण मारते हैं और हनुमान जी गिर जाते हैं। तब हनुमान जी सारा वृत्तांत सुनाते हैं कि सीता जी को रावण ले गया, लक्ष्मण जी मूर्छित हैं।

यह सुनते ही कौशल्या जी कहती हैं कि राम को कहना कि लक्ष्मण के बिना अयोध्या में पैर भी मत रखना। राम वन में ही रहे।

माता सुमित्रा कहती हैं कि राम से कहना कि कोई बात नहीं। अभी शत्रुघ्न है। मैं उसे भेज दूंगी। मेरे दोनों पुत्र राम सेवा के लिये ही तो जन्मे हैं।

माताओं का प्रेम देखकर हनुमान जी की आँखों से अश्रुधारा बह रही थी। परन्तु जब उन्होंने उर्मिला जी को देखा तो सोचने लगे कि यह क्यों एकदम शांत और प्रसन्न खड़ी हैं? क्या इन्हें अपनी पति के प्राणों की कोई चिंता नहीं?

हनुमान जी पूछते हैं- देवी! आपकी प्रसन्नता का कारण क्या है? आपके पति के प्राण संकट में हैं। सूर्य उदित होते ही सूर्य कुल का दीपक बुझ जायेगा। उर्मिला जी का उत्तर सुनकर तीनों लोकों का कोई भी प्राणि उनकी वंदना किये बिना नहीं रह पाएगा।

वे बोलीं- "मेरा दीपक संकट में नहीं है, वो बुझ ही नहीं सकता। रही सूर्योदय की बात तो आप चाहें तो कुछ दिन अयोध्या में विश्राम कर लीजिये, क्योंकि आपके वहां पहुंचे बिना सूर्य उदित हो ही नहीं सकता।

आपने कहा कि प्रभु श्रीराम मेरे पति को अपनी गोद में लेकर बैठे हैं। जो योगेश्वर राम की गोदी में लेटा हो, काल उसे छू भी नहीं सकता। यह तो वो दोनों लीला कर रहे हैं। मेरे पति जब से वन गये हैं, तबसे सोये नहीं हैं। उन्होंने न सोने का प्रण लिया था। इसलिए वे थोड़ी देर विश्राम कर रहे हैं। और जब भगवान् की गोद मिल गयी तो थोड़ा विश्राम ज्यादा हो गया। वे उठ जायेंगे।

और शक्ति मेरे पति को लगी ही नहीं शक्ति तो राम जी को लगी है। मेरे पति की हर श्वास में राम हैं, हर धड़कन में राम, उनके रोम रोम में राम हैं, उनके खून की बूंद बूंद में राम हैं, और जब उनके शरीर और आत्मा में हैं ही सिर्फ राम, तो शक्ति राम जी को ही लगी, दर्द राम जी को ही हो रहा। इसलिये हनुमान जी आप निश्चिन्त होके जाएँ। सूर्य उदित नहीं होगा।"

वास्तव में सूर्य में भी इतनी ताकत नहीं थी कि लक्ष्मण जी के जागने से पहले वो उदित हो जाते! एक पतिव्रता तपस्विनी का तप उनके सामने खड़ा था। और मेघनाथ को भी लक्ष्मण जी ने नहीं, अयोध्या में बैठी एक तपस्विनी उर्मिला ने मारा।

राम राज्य की नींव जनक की बेटियां ही थीं... कभी सीता तो कभी उर्मिला। भगवान् राम ने तो केवल राम राज्य का कलश स्थापित किया परन्तु वास्तव में राम राज्य इन सबके प्रेम, त्याग, समर्पण, बलिदान से ही आया.

This Tax Chat is prepared only for information of our clients and colleagues in the office. In this Tax Chat an attempt has been made to summarize various changes / development in Direct Tax Law during previous months.

The information is of a general nature and is not intended to address specific facts and circumstances. Specific guidance may be obtained before acting on the same.

If you need full text of circular, notification, press release, etc., we will be happy to provide the same on hearing from you. We have compiled the information from Taxmann and Taxsutra websites and mails.

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