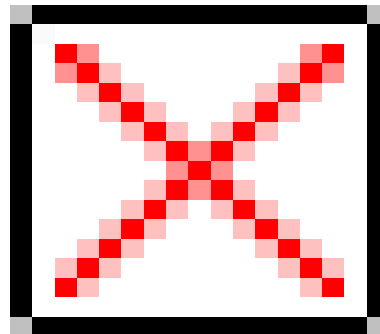
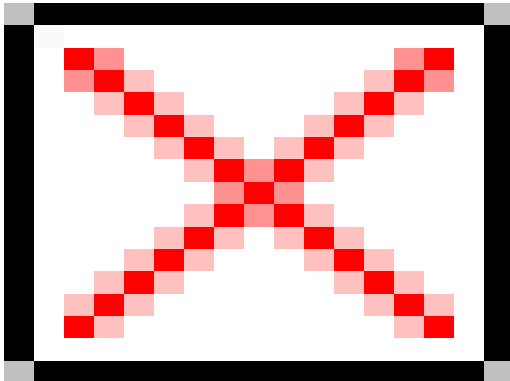


12 Years of DDT

TIOL-DDT 2982

01 12 2016

Thursday



Â

YOUR

DDT has completed 12 years. We started DDT on 1st December 2004 and for every single working day in the last 12 years, we have been giving you the daily dose without a break.

DDT thanks all the Netizens, the Government and all colleagues in TIOL who made this arduous journey possible.

This month DDT will also complete another major milestone of 3000 editions.

Service Tax - 'online information and database access' not Telecom Service

RULE 2(q) of the Place of Provision of Services Rules, 2012, reads as

(q) "telecommunication service" means service of any description (including electronic mail, voice mail, data services, audio text services, video text services, radio paging and cellular mobile telephone services) which is made available to users by means of any transmission or reception of signs, signals, writing, images and sounds or intelligence of any nature, by wire, radio, visual or other electro-magnetic means but shall not include broadcasting services.

This is now amended to read as (q) "telecommunication service" means service of any description (including electronic mail, voice mail, data services, audio text services, video text services, radio paging and cellular mobile telephone services) which is made available to users by means of any transmission or reception of signs, signals, writing, images and sounds or intelligence of any nature, by wire, radio, visual or other electro-magnetic means but shall not include broadcasting and online information and database access or retrieval services.

'Online information and database access or retrieval' is no more a telecom service.

With a view to provide a level playing field to Indian service providers providing taxable online information and database access or retrieval [OIDAR] services including electronic services in India, the exemption to such services provided in India by service providers located in foreign territory is being withdrawn w.e.f 1st December, 2016. Thus cross border business to consumer [B2C] OIDAR services provided by a foreign service provider to a person in India will become taxable from 1st December, 2016 onwards. [Source - CBEC Press Release dated 11.11.16]

Today is the 1st December, 2016.

[Notification No. 51/2016-Service Tax., Dated November 30, 2016](#)

ST - Excess baggage charges collected by Airlines are an integral part of main service, namely, transportation of passengers by air - SC Dismisses Revenue Appeal

CARRYING

of baggage by the appellant Airlines is incidental to the service being 'transport of passengers by Air' and the same is classifiable under Section 65(105)(zzn). There is no separate contract in the facts of the case for transport of goods (excess baggage). More particularly, in the case of agreement of transport of passengers by Air, there is no element of transport of unaccompanied goods. Thus, the excess baggage charges collected by the appellant Airlines is integral part of the service provided for 'transport of passengers by Air'. CESTAT in [2015-TIOL-2329-CESTAT-MUM](#).

The Supreme Court recently dismissed the Revenue Appeal against this decision.

For more details, please see [Breaking News](#).

Demonetisation - Withdrawal of only Rs. 10,000 from PMJDY

WITH a view to protect the innocent farmers and rural account holders of PMJDY (Pradhan Mantri Jan Dhan Yojana) from activities of money launders and legal consequences under the Benami Property Transaction & Money Laundering laws, RBI has decided to place certain limits, as a matter of precaution, on the operations in the PMJDY accounts funded through deposits of Specified Bank Notes (SBNs) after November 09, 2016. As a temporary measure, the banks are advised to observe the following in respect of the PMJDY accounts:

- i. Fully KYC compliant account holders may be allowed to withdraw Rs. 10,000/- from their account, in a month. The branch managers may allow further withdrawals beyond Rs. 10,000 within the current applicable limits only after ascertaining the genuineness of such withdrawals and duly documenting the same on bank's record.
- ii. Limited or Non KYC compliant account holders may be allowed to withdraw Rs. 5,000 per month from the amount deposited through SBNs after November 09, 2016 within the overall ceiling of Rs. 10,000.

[RBI/2016-17/165 DCM \(Plg\) No. 1450/10.27.00/2016-17., Dated November 29, 2016](#)

Economy in Use of Paper - Fin Min Instructions

MINISTRY

of Finance has been issuing instructions from time to time on expenditure management, fiscal discipline and on the need for economy and rationalisation of Government expenditure. Instructions on use of judicious use of paper have been issued in the past and similar instructions are also contained in the Manual of Office Procedure published by Department of Administrative Reforms and Public Grievances.

Expenditure Management Commission has also recommended that publications should be digitised wherever possible to save on stationery and expenditure.

Considering that electronic publications (e-publications) are environment friendly, all Ministries/Departments are advised to review the utilisation of their different publications and to start with e-publish some of their non-Statutory publications. While considerably reducing use of paper e-publications would also serve as a good digital repository for posterity that can be accessed anywhere unlike manual publications.

Interestingly, this memorandum, apparently, is also on paper.

Ministry of Finance, Department of Expenditure Office Memorandum No. 25(6)/E.Coord-2014., Dated November 30, 2016

Arvind Kejriwal misrepresenting changes in Taxation Law?

FINANCE Minister Arun Jaitley tweeted:

Factually incorrect statements have been made by [@ArvindKejriwal](#) in relation to changes proposed in the Taxation Law.

- + **The existing provision of penalty of 200% for mis-reporting income under Section 270A has not been changed.**
- + **The existing provision of charging only 30% tax on un-explained cash shown in the Return has been now changed to 60% tax + 25% of tax as surcharge + 3% of tax as cess.**
- + **This is a total of 77% of tax in case if assessee shows it in the Return. Otherwise 85% of income will be payable as tax + penalty.**
- + **Penalty for search & seizure is also increased from existing 10% & 20% to 30% even if assessee admits & shown it in his Return. Otherwise 60% of income will be the penalty.**
- + **In PMGKY, apart from 50% of income being taken as tax + penalty + surcharge, 25% of disclosed income has to be kept as interest free deposit in PMGKY deposit scheme for 4 years.**

Why should a former IRS officer, [@ArvindKejriwal](#) factually misrepresent changes in the Taxation Law?

Bank Cashier Booked for exchanging over a crore of rupees

ALL

the new notes released by the RBI through the banks are not reaching the ordinary people. They seem to be going to the same black money hoarders who had black money in the past. It is reported that a cashier of a bank in Jaipur in Rajasthan has exchanged more than a crore of rupees of the old 500 and 1000 rupee notes for brand new 2000 rupee notes - easier to store. There are many such cashiers and others contributing to the creation of the new black economy.

Please also see our [CobWeb](#)

Play the National Anthem in Cinema Halls - Supreme Court

THE Supreme Court has yesterday issued certain directions on playing the National Anthem:

- (a) There shall be no commercial exploitation to give financial advantage or any kind of benefit. To elaborate, the National Anthem should not be utilized by which the person involved with it either directly or indirectly shall have any commercial benefit or any other benefit.
- (b) There shall not be dramatization of the National Anthem and it should not be included as a part of any variety show. It is because when the National Anthem is sung or played it is imperative on the part of every one present to show due respect and honour. To think of a dramatized exhibition of the National Anthem is absolutely inconceivable.

(c) National Anthem or a part of it shall not be printed on any object and also never be displayed in such a manner at such places which may be disgraceful to its status and tantamount to disrespect. It is because when the National Anthem is sung, the concept of protocol associated with it has its inherent roots in National identity, National integrity and Constitutional Patriotism.

(d) All the cinema halls in India shall play the National Anthem before the feature film starts and all present in the hall are obliged to stand up to show respect to the National Anthem.

(e) Prior to the National Anthem is played or sung in the cinema hall on the screen, the entry and exit doors shall remain closed so that no one can create any kind of disturbance which will amount to disrespect to the National Anthem. After the National Anthem is played or sung, the doors can be opened.

(f) When the National Anthem shall be played in the Cinema Halls, it shall be with the National Flag on the screen.

(g) The abridge version of the National Anthem made by any one for whatever reason shall not be played or displayed.

The directions are issued, for love and respect for the motherland is reflected when one shows respect to the National Anthem as well as to the National Flag. That apart, it would instill the feeling within one, a sense committed patriotism and nationalism.

Decrease in Tariff Value of Gold, Silver

GOVERNMENT

Â has decreased the tariff value of gold and silver. However, those of all oils and Brass Scrap see an increase. Poppy seeds and Areca Nuts do not find their Tariff values disturbed.

Table 1				
S. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value USD (Per Metric Tonne) as on 15.11.2016	Tariff value USD (Per Metric Tonne) from 30.11.2016
(1)	(2)	(3)	(5)	(6)
1	1511 10 00	Crude Palm Oil	739	764
2	1511 90 10	RBD Palm Oil	744	797
3	1511 90 90	Others - Palm Oil	742	781
4	1511 10 00	Crude Palmolein	747	809
5	1511 90 20	RBD Palmolein	750	812
6	1511 90 90	Others - Palmolein	749	811
7	1507 10 00	Crude Soyabean Oil	866	870
8	7404 00 22	Brass Scrap (all grades)	3017	3176
9	1207 91 00	Poppy seeds	2533	2533
Table 2				
S. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value USD from 15.11.2016	Tariff value USD from 30.11.2016

1	71 or 98	Gold, in any form in respect of which the benefit of entries at serial number 321 and 323 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed.	394 per 10 grams	386 per 10 grams
2	71 or 98	Silver, in any form in respect of which the benefit of entries at serial number 322 and 324 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed.	563 per kilogram	542 per kilogram

Table 3

S. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value USD (Per Metric Tons) from 15.11.2016	Tariff value USD (Per Metric Tons) from 30.11.2016
1	080280	Arecanuts	2621	2621

[Notification No. 144/2016-CUSTOMS \(N.T.\), Dated: November 30, 2016](#)

Until Tomorrow with more **DDT**

Have a nice day.

Mail your comments to vijaywrite@tiol.in