

PAYROLL

ASSET MANAGEMENT

The COMMUNIQUE



Our CFO Speaks

Globalization has not only opened up the economy for cross-border transactions but it has brought in its wake awareness about various discrepancies resulting in fairness. Multinational companies that have a presence in multiple countries typically rely on a web of subsidiaries to Hoover profits out of markets that are majorly low-tax countries. To avoid this avoidance of tax the advanced economies of the world who make up the G7 have reached a deal for the first time in history on the taxing of multinational companies.

The decision was to tax companies in the country in which they conduct the business and it was also agreed in principle to sanction a minimum corporate rate globally to counter the possibility of undercutting among countries to attract investments. The rate has been agreed at 15%. India has also moved in the direction and reduced the corporate tax to 22% for domestic companies and 15% for new manufacturing companies.

While globally the uniformity in tax rate will do away with the undercutting among countries there are challenges the countries will face in implementing the same. Tax policies are unique to a nation and is a tool that countries use to push policies that suit them. Also, it takes away the possibility of a country recovering from an economic hangover.

This uniformity will bring all countries at par and multinationals will now have a larger tax liability. Globalization in taxation means that there will no longer be tax havens and there will be no loss of tax for the countries. This will be put in the forthcoming G20 meeting. The acceptance of it will change the face of global taxation and multinationals will have to gear up to deal with this change.

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What's New - Section 206AB

Section 206AB of the Income Tax Act warrants tax deduction at higher rate in case of specified person.

TdsPac ensures total compliance to the said section:

- Automated Login
- Bulk upload option
- Updation of vendor masters with required Status
- Updation of rate masters
- PAN - AADHAR Linking Status updated

Never miss a date

July 7th	Due Date for deposit of Tax Deducted/Collected for the month of June
July 15th	Quarterly statement of TDS deposited for the quarter ending March 31, 2021
July 31st	Quarterly Statement of TDS deposited for the quarter ending June 30, 2021
July 31st	Furnishing of Equalisation Levy statement for the Financial Year 2020-21

Happy to enhance our footprints

Trust at the core of every relationship



TRANSFORMATION STORY-

A INDIAN MULTINATIONAL PAINT COMPANY SOLVES TDS WOES

Challenge

- TDS Filing delay
- Compliance to new sections
- PAN - AADHAR Linking
- Data Integrity in case of outsourcing
- Inaccuracy of returns
- Manual data massaging tedious task

Solution

TDSPac for Enterprise is a complete solution that offers automation for all the aspects of the TDS deposit, return filing and compliance. Add on features like PAN - AADHAR Linking ensure total compliance and accuracy.

Result

- Timely filing of returns
- Total compliance to all section of TDS
- PAN- AADHAR Linking provided
- Data integrity maintained
- Accuracy of returns
- Automated filing of returns

ALL YOU NEED TO KNOW: AUTOMATION THE WAY FORWARD FOR TAXATION

Automation is now a part of all activities that are manual and time-consuming. Taxation is one such area that is also seeing the rise of automation in activities. This is a global revolution and many countries have benefitted from this digitalization. In India, automation is not an option rather a necessity. In our country, only 1% of the population pays taxes. For the country to grow at least 10% of the population must fall under the tax bracket.

Data Science, Robotic Process Automation, and the application of artificial intelligence have made the digitalization of tax management a reality. The new online tax filing system launched by the government is one of the dimensions of tax management. With this in place, efforts are being made to expand the base of taxpayers by simplifying the process of registering a new taxpayer. The process that usually takes days will now just be a few minutes.

With automation will come speed and accuracy. There will also be transparency which will, in turn, reduce litigations and release billions of rupees that are stuck in litigations.

The next stage of tax management can be the direct reporting from the enterprise to the tax department. There are efforts to align the internal tax management to that of the external regulators.

The future of taxation will be complete automation of compliance and it will include:

- Extracting data from existing company systems
- Transforming data extracted into the centralized application or domain-specific application.
- Analyzing the forms that need to be filled and automated filling of the same
- Sending the correct forms to the relevant jurisdictions on time through mail automation
- Matching tax notices to returns to check for differences
- Alerting about the disparities between forms and returns by use of AI
- Communication with jurisdictions about disparities
- Request for appeals

Thus automation will bring about the much-needed transparency and accuracy in tax management.





**Don't let your compliance
structure collapse!**

**We are here to the rescue!
Total compliance assured!**

TdsPac™

PayPac™

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