

MINISTRY OF FINANCE

(Department of Revenue)

(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION

New Delhi, the 18th January, 2022

G.S.R. 25(E).— In exercise of the powers conferred section 114 of the Finance (No. 2) Act, 2004, (23 of 2004), the Central Government hereby makes the following rules to amend the Securities Transaction Tax Rules, 2004, namely:—

1. Short title and commencement. - (1) These rules may be called the Securities Transaction Tax (1st Amendment), Rules, 2022.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Securities Transaction Tax Rules, 2004 (hereinafter referred to as the principal rules), after rule 5, the following rule shall be inserted, namely:—

“ 5A. Person responsible for collection and payment of securities transaction tax in case of Insurance Company.- In the case of an insurance company, the person responsible for collection and payment of securities transaction tax in accordance with sub-sections (2), (3) and (4) of section 100 of the Act, shall be the managing director or a whole-time director, as defined in clauses (54) and (94) of section 2 of the Companies Act, 2013 (18 of 2013), duly authorised by the Board of Directors of such company in this behalf.”.

3. In the principal rules, for rule 6, the following rule shall be substituted, namely: -

“ 6. Payment of securities transaction tax.- Every recognised stock exchange, or the trustee of every Mutual Fund or such other person managing the affairs of the mutual fund as may be duly authorised by the trustee in this behalf, or the managing director or a whole-time director, as defined in clauses (54) and (94) of section 2 of the Companies Act, 2013 (18 of 2013), duly authorised by the Board of Directors of an insurance company, who is required to collect and pay securities transaction tax under section 100 of the Act, shall pay the amount of such tax to the credit of the Central Government by remitting it into any branch of the Reserve Bank of India or of the State Bank of India or of any authorised bank accompanied by a securities transaction tax challan.”.

4. In the principal rules, in rule 7, —

(i) in sub-rule (1), after clause (b), the following clause shall be inserted, namely:—

“ (c) in the case of an insurance company, be in Form No. 2A and be verified in the manner indicated therein.”;

(ii) for sub-rule (2), the following sub-rules shall be substituted, namely:—

“(2) The return in Form No. 1, Form No. 2 and Form No. 2A referred to in sub-rule (1) shall be furnished electronically either under digital signature or electronic verification code.

Explanation.—For the purposes of this sub-rule "electronic verification code" means a code generated for the purpose of electronic verification of the person furnishing the return of income as per the data structure and standards specified by Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems).

(2A) The Principal Director-General of Income-tax (Systems) or Director-General of Income-tax (Systems) shall specify the procedures, formats and standards for ensuring secure capture and transmission of data and shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to furnishing the returns in Form No. 1, Form No. 2 and Form No. 2A.”;

(iii) after sub-rule (3), the following sub-rule shall be inserted, namely:—

“(3A) In case of an insurance company, the return referred to in sub-rule (1) shall be furnished by the managing director or a whole-time director, as defined in clauses (54) and (94) of section 2 of the Companies Act, 2013 (18 of 2013), duly authorised by the Board of Directors of such company in this behalf.”.

5. In the principal rules, in rule 8, after clause (b) the following clause shall be inserted, namely:—

“(c) in the case of an insurance company by the managing director or a whole-time director as defined in clauses (54) and (94) of section 2 of the Companies Act, 2013 (18 of 2013) a duly authorised by the Board of Directors of such company in this behalf.”.

6. In the principal rules, in the APPENDIX, after Form No. 2, the following Form shall be inserted, namely: —

“FORM NO. 2A

[See rule 7 of Securities Transaction Tax Rules, 2004]

Return of Taxable Securities Transactions for Insurance Company

S.No										
1.	Name of the Insurance Company:									
2.	Date of Registration/Incorporation under the Companies Act, 2013	<table border="1"> <tr> <td>d</td> <td>d</td> <td>m</td> <td>m</td> <td>y</td> <td>y</td> <td>y</td> <td>y</td> </tr> </table>	d	d	m	m	y	y	y	y
d	d	m	m	y	y	y	y			

3.	Permanent Account Number (PAN)																																							
4.	Financial Year for which transaction is being reported																																							
5.	Jurisdictional Assessing Officer																																							
6.	Number of equity oriented funds		<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>																																					
7.	Value of taxable securities transactions		<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>																																					
8.	Total securities transaction tax collectible		<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>																																					
9.	Total securities transaction tax collected		<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>																																					
10.	Total securities transaction tax paid		<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>																																					
11.	Securities transaction tax payable/refundable		<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>																																					
12.	Interest payable under section 104		<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>																																					
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14.	Details of Equity Oriented Funds with respect to Unit Linked Insurance Policies issued by the Insurance company on or after the first day of February, 2021																																							
	<table border="1"> <thead> <tr> <th>S.No</th> <th>Name of equity oriented fund</th> <th>Unique Client Code of the fund</th> <th>Folio number of person from whom units purchased</th> <th>Name of person from whom units purchased</th> <th>PAN of person from whom units purchased</th> <th>Value of taxable securities transaction (in Rs.)</th> <th>Securities transaction tax Collectible (in Rs.)</th> <th>Securities transaction tax collected (in Rs.)</th> </tr> <tr> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>8</th> <th>9</th> </tr> </thead> <tbody> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </tbody> </table>									S.No	Name of equity oriented fund	Unique Client Code of the fund	Folio number of person from whom units purchased	Name of person from whom units purchased	PAN of person from whom units purchased	Value of taxable securities transaction (in Rs.)	Securities transaction tax Collectible (in Rs.)	Securities transaction tax collected (in Rs.)	1	2	3	4	5	6	7	8	9													
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15.	Month wise details of taxable securities transaction tax for the FY mentioned in column 4																																							
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16.	Details of securities transaction tax/interest paid																																							
	<table border="1"> <thead> <tr> <th>Tax/Interest (In Rs.)</th> <th>Name of the bank branch</th> <th>BSR code of the bank branch</th> <th>Date of deposit</th> <th>Serial No. of Challan</th> <th>Amount (In Rs.)</th> </tr> <tr> <th>11</th> <th>12</th> <th>13</th> <th>14</th> <th>15</th> <th>16</th> </tr> </thead> <tbody> <tr> <td></td><td></td><td></td><td></td><td></td><td></td> </tr> </tbody> </table>									Tax/Interest (In Rs.)	Name of the bank branch	BSR code of the bank branch	Date of deposit	Serial No. of Challan	Amount (In Rs.)	11	12	13	14	15	16																			
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VERIFICATION

I, (full name in block letters), son/ daughter of solemnly declare that to the best of my knowledge and belief the information given in this return is correct and complete and that the total value of taxable securities transactions and other particulars shown therein are truly stated and are in accordance with provisions of Chapter VII of the Finance (No.2) Act, 2004 and the Securities Transaction Tax Rules, 2004.

I further declare that I am making this return in my capacity as and I am also competent to make this return and verify it.

Date:

Place

(Name and Signature)

NOTES:-

1. This Form must be used by a Insurance Company Only
2. Details required in Row 14 may be given separately for each equity oriented fund set up by the insurance company and sub-total of each fund be also given.
3. Details required in Row No. 15 may be given separately for each month for each equity oriented fund set up by insurance company and sub-total for each month be also given.”.

[Notification No. 9/2022/F. No. 370142/61/2021-TPL]

NEHA SAHAY, Under Secy.

Note : The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii) *vide* notification number S.O. 1059(E), dated the 28th September, 2004.