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## Income Tax Rules, 2076 (Ninth Amendment)

With the power conferred by section 138 of Income tax act 2058, GoN has issued its ninth amendment in Income Tax Rules, 2076 dated 2076.3.23 applicable from 1 Shrawan 2076. Ninth amendment and its comparison with previous provision can be summarized as:

| Reference                   | Old Provisions   | New Provisions   |
|-----------------------------|--|--|
| Rule 23<br><b>(New)</b>     | No provision   | <b>Rule 23(3Ka) Persons conducting transactions after obtaining Permanent Account Number shall update the registration information in the biometric system within the timeframe prescribed by IRD.</b>   |
| Rule 29<br><b>(Amended)</b> | <p>Rule 29(3): A person shall pay tax in accordance with Rule 29(1) in the following forms:</p> <ol style="list-style-type: none"> <li>1. If the payment is made to IRD and the payment does not exceed the limits for cash payment prescribed by the Department, in cash; or where the payment exceeds the limits, by bank cheque or bank draft; or</li> <li>2. If the payment is made to a bank empowered to conduct Government transactions, in cash, bank cheque or bank draft.</li> </ol> | <p>Rule 29(3): A person shall pay tax in accordance with Rule 29(1) in the following forms:</p> <ol style="list-style-type: none"> <li>1. If the payment is made to IRD and the payment does not exceed the limits for cash payment prescribed by the Department, in cash; or where the payment exceeds the limits, by bank cheque or bank draft; or</li> <li>2. If the payment is made to a bank empowered to conduct Government transactions, in cash, bank cheque or bank draft.</li> </ol> <p><b>But payment exceeding Rs 10 lakhs shall be made through bank empowered to conduct government transactions, in cheque or draft or electronic medium.</b></p> |

## Custom Rules, 2076 (Tenth Amendment)

With the power conferred by section 92 of Custom Act 2064, GoN has issued its tenth amendment in Custom Rules, 2076 dated 2076.3.23 effective immediately. Tenth amendment and its comparison with previous provision can be summarized as:

| Reference                     | Old Provisions   | New Provisions   |
|-------------------------------|--|--|
| Rule 9(1)<br><b>(Amended)</b> | <p>Rule 9(1): Following Industry or person intending to avail of the facilities of bonded warehouse should apply at the Department for the license:</p> <ol style="list-style-type: none"> <li>a. Industry exporting garment to foreign country,</li> <li>b. Industry exporting its product to third country,</li> <li>c. Except the Industry mentioned in Rule 9(1)(a), other industries exporting at least <b>50%</b> of its production to India,</li> <li>d. Person who is importing goods to sale through the government licensed duty free shop.</li> </ol> | <p>Rule 9(1): Following Industry or person intending to avail of the facilities of bonded warehouse should apply at the Department for the license:</p> <ol style="list-style-type: none"> <li>a. Industry exporting garment to foreign country,</li> <li>b. Industry exporting its product to third country,</li> <li>c. Except the Industry mentioned in Rule 9(1)(a), other industries exporting at least <b>20% of its production or goods more than Rs 1 crore</b> to India,</li> <li>d. Person who is importing goods to sale through the government licensed duty free shop.</li> </ol> |
| Rule 9(2)<br><b>(Amended)</b> | <p>Rule 9(2): Industry applying under Rule 9(1) should submit certificate stating that the industry qualifies as Rule 9(1)(a) to Rule 9(1)(c). In case the industry which has</p>  | <p>Rule 9(2): Industry applying under Rule 9(1) should submit certificate stating that the industry qualifies as Rule 9(1)(a) to Rule</p>  |

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|                                | not operated for more than a year, intends to get license for the bonded warehouse need not submit such certificate if it submits conditional contract paper with the export plan and conformity of the export of its production to third country or export of <b>at least 50%</b> of its production to India.  | 9(1)(c). In case the industry which has not operated for more than a year, intends to get license for the bonded warehouse need not submit such certificate if it submits conditional contract paper with the export plan and conformity of the export of its production to third country or export of <b>at least 20% of its production or goods more than Rs 1 crore</b> to India.  |
| Rule 47<br><b>(Amended)</b>    | <p>Rule 47(1): Anybody who captures person smuggling or seeking to smuggle goods, or furnish information relating thereto, shall be granted rewards at the rates mentioned below in case it is proved that such goods have been smuggled or have been sought to be smuggled. The reward shall be paid from the proceeds of the auction of such goods after the case is settled, <b>except for the goods exempted from customs duty and value added tax</b> as follows:</p> <p>a. For persons furnishing information about attempts to smuggle goods: <b>10%</b></p> <p>b. For persons seizing goods being smuggled and producing the same along with the smuggler: <b>20%</b></p> <p>c. For persons who only seize and produce goods being smuggled: <b>10%</b></p> | <p>Rule 47(1): Anybody who captures person smuggling or seeking to smuggle goods, or furnish information relating thereto, shall be granted rewards at the rates mentioned below in case it is proved that such goods have been smuggled or have been sought to be smuggled. The reward shall be paid from the proceeds of the auction of such goods after the case is settled, <del>except for the goods exempted from customs duty and value added tax</del> as follows:</p> <p>a. For persons furnishing information about attempts to smuggle goods: <b>15%</b></p> <p>b. For persons seizing goods being smuggled and producing the same along with the smuggler: <b>30%</b></p> <p>c. For persons who only seize and produce goods being smuggled: <b>20%</b></p> |
| Rule 53 Ka<br><b>(Amended)</b> | Rule 53Ka(2): Such notice as per Rule 53Ka(1) should be sent to the District Administration office, Revenue Office, <b>District Development Office</b> , District Treasury office and Federation of Nepalese Chamber of Commerce and Industry to issue it as public notice.   | Rule 53Ka(2): Such notice as per Rule 53Ka(1) should be sent to the District Administration office, Revenue Office, <b>concerned rural municipality or municipality office</b> , District Treasury office and Federation of Nepalese Chamber of Commerce and Industry to issue it as public notice.   |
| Rule 60 Ka<br><b>(Amended)</b> | Rule 60Ka: Notwithstanding anything contained in this regulation, the importer, while importing the goods of personal use or importing the goods under the baggage rules, should fill out the summary declaration form as prescribed in Rule Schedule 10Ka.   | Rule 60Ka: Notwithstanding anything contained in this regulation, the importer, while importing <b>allowable</b> goods of personal use or importing <b>allowable</b> goods under the baggage rules, should fill out the summary declaration form as prescribed in Rule Schedule 10Ka.   |
| Rule 62<br><b>(New)</b>        | <p>Rule 62(1) In case of export, unprocessed agriculture goods, or Local natural production.</p> <p>In case of import, <b>valuing up to Rs 5,000</b><br/><i>Excepting, machinery operated vehicles on a permanent or temporary basis unless approved by Director General</i></p>  | <p>Rule 62(1) In case of export, unprocessed agriculture goods, or Local natural production</p> <p>In case of import, goods with <b>any value</b> through sub-custom listed in annexure 12.</p> <p><b>In case of import, goods valuing upto Rs 25,000 through sub custom listed in annexure 13.</b></p> <p><b>In case of import, goods valuing upto Rs 10,000 through sub customs other than listed in annexure 12 and 13.</b></p> <p><b>Rule 62(1)(Ka): Notwithstanding anything contained in rule 62(1), except goods imported through sub-custom with approval of Director General, none of the machinery</b></p>  |

# TRU Flash Alert



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|                                       |  | <b>operated vehicles shall be imported on a permanent or temporary basis.</b>   |
| Rule 66Gha<br>(2)<br><b>(Amended)</b> | Requirements for renewal of EXIM code:<br>a) Tax clearance certificate,<br>b) Bank Guarantee of Rs 3 lakhs with validity up to renewal period,<br>c) Rs <b>5,000</b> (Rupees <b>five</b> thousand only) renewal charge | Requirements for renewal of EXIM code:<br>a) Tax clearance certificate,<br>b) Bank Guarantee of Rs 3 lakhs with validity up to renewal period,<br>c) <b>Rs 1,000</b> (Rupees <b>one</b> thousand only) renewal charge |
| Annexure<br>12<br><b>(Amended)</b>    | <b>List of Sub-custom office:</b><br>Bhadrapur, Suthauli, Prithivipur, Sati, Darchula, Thadi, Viswa, Mahespur and Gularia,   | <b>List of Sub-custom office:</b><br>Prithivipur, Darchula, Gularia and Logama Jatahi   |
| Annexure<br>13<br><b>(New)</b>        | No provisions  | <b>List of Sub-custom:</b><br>Viswa, Ahthamauja (Gaurijung), Kumar Khod, Rangeli, Samsi, Okkhal, Matiarwa, Tribeni and Belauri.   |

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