

Ref: ICSII-SSIP04/JAN25/01

Date: Friday, January 3, 2025

Event Report

Event: Availing Tax Benefits as StartUps

Type: Seminar

Time: 4:00 PM – 4:30 PM

Venue: LH30, Indus University

Overview

The seminar on “**Availing Tax Benefits as StartUps**” was conducted by **Prof. Shaswat Padalia** (Asst. Dean R&D, Indus University), aiming to educate student innovators and early-stage entrepreneurs about the legal and financial provisions available under Indian tax laws for recognized startups. The session emphasized the significance of understanding and utilizing government-offered tax incentives for startup growth and sustainability.

Topics Covered

1. Introduction to Startup India Benefits

- Overview of **Startup India** recognition and its importance for availing tax exemptions.
- Steps for **DPIIT Registration** and legal recognition criteria.

2. Income Tax Exemptions

- Section 80-IAC: **3-year tax holiday** under Income Tax Act for eligible startups.
- Conditions to qualify for tax benefits and process of claiming them.

3. Exemption on Capital Gains

- Explanation of **Section 54GB** and other relevant provisions for **capital gains tax exemption** when investing in startups.
- Utilization of gains for purchasing assets to boost operations.

4. Angel Tax Exemption

- Understanding recent reforms in **Section 56(2)(viib)** and how startups can avoid angel tax by complying with prescribed norms.
- Importance of valuation certificates and share issuance protocols.

5. GST and Compliance Simplification

- GST benefits for startups and **compliance reliefs** such as quarterly returns and composition schemes.
- Importance of timely filings and maintaining digital records.

6. Investment-Linked Deductions

- How certain investments in R&D or new equipment can be **deducted from taxable income**.
- Encouraging startups to channel funds into infrastructure and IP creation.

7. Documentation and Advisory Support

- Key documents needed for tax filings, exemptions, and benefits application.
- Support provided by **ICSII** and mentors for proper financial and legal guidance.

Event Highlights

- The seminar provided **clarity on complex tax structures** in simple terms suitable for student startups.
- Participants appreciated the step-by-step explanation on **how to apply for exemptions** under various government schemes.
- Queries from the attendees were addressed in an interactive Q&A session.

Glimpses



Key Takeaways

- **Government-recognized startups** can benefit from multiple tax exemptions and incentives.
- Knowledge of correct procedures, timely documentation, and compliance is essential to reap these benefits.
- **ICSII** provides handholding support to startups for applying under the **Startup India** scheme and maintaining compliance.

Conclusion

The session empowered aspiring entrepreneurs with essential knowledge about **tax planning** and **regulatory compliance**, ensuring they are financially prepared for sustainable business growth. Prof. Shaswat Padalia emphasized the need for strategic decision-making in finance and how tax benefits can be leveraged to reinvest in core business development.

Attendance: 56 Participants