



## Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020

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### Why in News

Recently, the government has promulgated the '**Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020**'.

### Key Points

- The Ordinance brings into effect various tax compliance related measures announced on March 24, 2020 in the wake of **COVID-19** pandemic.
- The government has extended the deadline for filing income tax, last dates for making investments in instruments such as National Savings Certificates, Public Provident Fund for claiming income tax benefits, etc.
- The last date for **linking PAN with biometric ID Aadhaar** has been extended by three months to June 30.
- The Ordinance has also amended the provisions of the Income-tax Act to provide the **same tax treatment to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM-CARES Fund) as available to the Prime Minister's National Relief Fund (PMNRF)**.
  - The donation made to the PM-CARES Fund shall be eligible for 100% deduction under section 80G of the I-T Act.
  - The government has set up the PM-CARES Fund to deal with any kind of emergency or distress situation like posed by the **COVID-19 pandemic**.
  - PMNRF was **instituted in 1948 by then Prime Minister Jawaharlal Nehru, to assist displaced persons from Pakistan**.
    - The fund is currently used primarily to tackle **natural calamities** like floods, cyclones and earthquakes.
    - The fund is also used to help with **medical treatment** like kidney transplantation, cancer treatment and acid attack.

## Ordinance

- Ordinance is a **decree or law promulgated by a state or national government** without the consent of the legislature.
- **Article 123** of the Constitution of India **grants the President** certain law-making powers to promulgate ordinances when either of the **two Houses of Parliament is not in session.**
- The fundamental reason for bestowing the executive with the power to issue ordinance according to Pandit H N Kunzru (involved in framing the Indian Constitution), was **“to deal with situations where an emergency in the country necessitated urgent action.”**
- There are **three limitations** with regard to the ordinance making power of the executive. They are:
  - The President can only promulgate an ordinance when **either of the two Houses of Parliament is not in session.**
  - The President cannot promulgate an ordinance unless **he is satisfied that there are circumstances that require taking ‘immediate action’.**
  - Ordinances must be **approved by Parliament within six weeks of reassembling or they shall cease to operate.** They will also cease to operate in case **resolutions disapproving the ordinance** are passed by both the Houses.

Source: IE