



The expansion of the scope of Equalisation levy ('EQL') to 'online sale of goods/ online provisions of services' imposed on non resident e-commerce operators as part of the parliamentary amendments to Finance Bill 2020 will always be remembered as it took the entire world by surprise as this new Indian tax development unfolded. The new levy got enacted effective from 1 April 2020. However, in the absence of a supporting Explanatory Memorandum, public consultation or an explanatory Circular in respect of the new levy, there was no document to rely on so as to gather intent regarding the new provisions. Thus impacted e-commerce operators were grappling with several open issues and complexities of the levy. While certain taxpayers chose to be compliant in the face of uncertainty, many others adopted a wait and watch approach for issue of clarifications from the government. United States also initiated an investigation against EQL amendments introduced