

LATEST

IN

INCOME TAX



LUNAWAT & CO.

Chartered Accountants

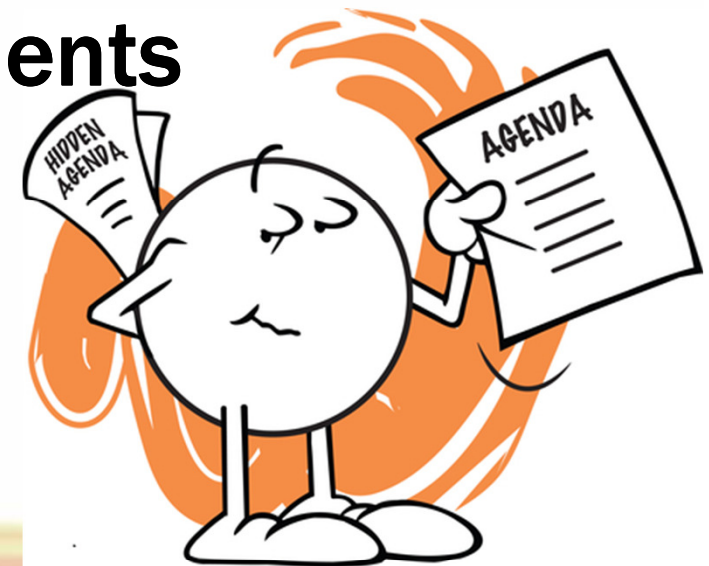
3rd June, Jalandhar

CA. PRAMOD JAIN

FCA, FCS, FCMA, LL.B, MIMA, DISA

AGENDA

- × PAN Quoting
- × AIR Reporting
- × Finance Act 2016 Amendments
 - × TCS (Section 206C)
 - × Presumptive Taxation
 - × Section 44AB
 - × Equalization Levy
 - × Income Declaration Scheme 2016
 - × Direct Tax Dispute Resolution Scheme 2016



PAN QUOTING



MANDATORY TO APPLY PAN



Total Income exceeds maximum amount not chargeable to tax



Carrying business / profession – turnover exceeds Rs. 5 Lacs



Required to furnish return u/s 139 (4A)

PROVISIONS - SECTIONS

139A(5)(c)

- Quoting of PAN

285BA

- Statement of Specified Financial Transactions

**271FA /
271FAA /
272B**

- Penalties

PROVISIONS - RULES

114B

- Transactions in which PAN is to be quoted

114C

- Verification of PAN

114D

- Furnishing of Form 60

114E

- Furnishing of Statement of Financial Transaction (AIR)

114F - H

- Furnishing of Statement of Reportable Account

PROVISIONS - FORMS

60

- Declaration from persons who do not have PAN

61

- Statement containing particulars of declaration received in Form No. 60

61A

- Statement of Specified Financial Transactions (AIR)

61B

- Furnishing of Statement of Reportable Account

PAN

**PAN
Requirement**

**PAN
Available**

**NO PAN
Form 60**

**No
Reporting**

**Report half
yearly in
Form 61**

PAN QUOTING W.E.F. 01.01.2016

S. No.	Nature of Transaction	Value of Transaction
1	Sale / Purchase of Motor Vehicle or Vehicle other than 2 Wheeler	All
2	Opening an Bank A/c other than time-deposit referred to at Sl. No.12 and Basic Savings Bank Deposit A/c	All
3	Application for Debit / Credit Card	All
4	Opening of Demat A/c	All
5	Payment to Hotel / Restaurant at any one time (earlier 25K)	Cash > 50000/-

PAN QUOTING W.E.F. 01.01.2016

S. No.	Nature of Transaction	Value of Transaction
6	Payment for Foreign Travel or foreign currency at 1 time (earlier 25K)	Cash > 50000/-
7	Payment to MF for purchase of Units	> 50000/-
8	Payment to Co. or Institution for Debentures / Bonds issued by it	> 50000/-
9	Payment to RBI for Bonds issued by it	> 50000/-
10	Cash Deposit with Bank in any 1 day	> 50000/-
11	Bank Draft / Pay Order / Banker Cheque during one day	Cash > 50000/-

PAN QUOTING W.E.F. 01.01.2016

S. No.	Nature of Transaction	Value of Transaction
12	Time Deposit with 1. Bank, 2. Post Office, 3. Nidhi Co. 4. NBFC	50000/- each transaction or 5 Lacs in aggregate during FY
13	Payment for 1 or more Prepaid Payment Instruments like smart card; magnetic stripe cards; internet a/c; online wallets; mobile a/c; mobile wallets; paper voucher; mass transit system; other	Cash / draft / PO / banker cheque aggregating > 50000/- in FY

PAN QUOTING W.E.F. 01.01.2016

S. No.	Nature of Transaction	Value of Transaction
14	Life Insurance Premium	Aggregating > 50000/- in FY
15	Sale / Purchase of Securities other than Shares per transaction	> 1 Lac
16	Sale / Purchase of unlisted shares per transaction (verification by Co) [E - 50k for issue of shares all Cos]	> 1 Lac
17	Sale / Purchase of Immovable Property (earlier 5 L)	> 10 Lacs Tran. value or 50C value

PAN QUOTING W.E.F. 01.01.2016

S. No.	Nature of Transaction	Value of Transaction
18	Sale / purchase of goods / services (earlier 5 L for bullion or jewellery dealer only)	> 2 Lacs per transaction

- ✘ Effective from 1st January 2016**
- ✘ Concerned person to verify PAN & mention in all documents /invoice/applications**
- ✘ If no PAN – take Form 60**
- ✘ If Minor– PAN of Father/Mother/Guardian**
- ✘ Not required for Telephone connection now**

PAN QUOTING – NOT REQUIRED

- × **CG / SG / Consular Offices**
- × **Non-Residents for all except:**
 - + **Application for Debit and Credit Card**
 - + **Payment to a hotel or restaurant against a bill**
 - + **Payment for foreign travel or foreign currency**
 - + **Payment to RBI for acquiring bonds**
 - + **Purchase of DD / PO / Bankers cheque**
 - + **Payment for prepaid instruments**
 - + **Sale/purchase of goods/services exceeding Rs. 2L**

IMPORTANT FEATURES OF FORM 60

- ✘ **Applicable to all except companies & firm**
- ✘ **If PAN is applied, then application no. to be filled**
- ✘ **If PAN not applied as income is below taxable limits – give estimate of total income**
- ✘ **If estimated total income exceeds taxable limits - Form 60 cannot be accepted unless PAN applied for acknowledgement no. is not mentioned.**

IMPORTANT FEATURES OF FORM 60

- ✘ Amount & mode of transaction also to be given
- ✘ Proof of Identity and address to be furnished along with Form 60
- ✘ In case transaction is by HUF, then proof of Karta
- ✘ In case transaction is by more than 1 persons, number of persons to be mentioned.
- ✘ Wrong verification prosecution u/s 277
 - + 3 months to 2 yrs & Fine;
 - + If amount > 25 Lacs – 6 months – 7 yrs & Fine

FILING DETAIL OF FORM 60 – FORM 61

- ✘ **Everyone not to file statement in Form 61 with department for PAN collection**
- ✘ **Only persons who does not take PAN, but take Form 60 have to file half yearly:**
 - + **Received upto 30th September – 31st October**
 - + **Received upto 31st March – 30th April**
- ✘ **Retain Form 60 for 6 years from end of the FY in which the transaction was undertaken. (earlier Form 60 were also to be filed)**

FORM 61 FILING

✘ To be filed by all verifiers except in case of:

S. No.	Nature of Transaction (Where verifier is required to get tax audit u/s 44AB)	Value of Transaction
5	Payment to Hotel / Restaurant at any one time	Cash > 50000/-
6	Payment for Foreign Travel or purchase of foreign currency at 1 time	Cash > 50000/-
18	Sale / purchase of goods / services	> 2 Lacs per transaction

FILING OF FORM 61

- ✘ **To be filed on e-filing portal after generating ITDREIN (Income Tax Department Reporting Entity Identification Number)**
- ✘ **ITDREIN is a 16-character identification no. in the format XXXXXXXXXXXX.YZNNN where:**
 - + **XXXXXXXXXXXX - PAN/ TAN of Reporting Entity**
 - + **Y - Code of Form Code**
 - + **Z - Code of Reporting Entity Category for Form Code**
 - + **NNN - Code of sequence number.**

AIR REPORTING



Reporting

AIR

Consolidate data



**File Form 61A
by 31st May
every year**

STATEMENT OF FINANCIAL TRANSACTIONS (AIR) [01.04.2016]

S. No.	Nature & Value of Transaction	Reporting Person
1(a)	Cash for purchase of bank drafts / pay orders / banker's cheque of aggregate > Rs. 10 Lacs in a FY.	Banks
1(b)	Cash for purchase of pre-paid instruments by RBI aggregate > Rs. 10 Lacs in a FY. [E- 5L bonds all modes]	Banks
1(c)	Cash deposits / withdrawals (including bearer's cheque) aggregating > Rs. 50 Lacs in a FY from 1 or more current account of a person.	Banks

STATEMENT OF FINANCIAL TRANSACTIONS (AIR) [01.04.2016]

S. No	Nature & Value of Transaction	Reporting Person
2	Cash deposits agg. > Rs. 10 Lacs in a FY, in 1 or more a/cs (other than current a/c & time deposit) [E- saving A/c]	Banks P.O.
3	One or more time deposits (other than renewals) of a person aggregating > Rs. 10 Lacs in a FY of a person.	Banks P.O. ; Nidhi NBFC
4	Payments aggregating to- (i) > Rs. 1 Lac in cash ; or (ii) > Rs. 10 Lacs by any other mode, one or more credit cards in a FY [E - 2L]	Banks issuing Credit Cards

STATEMENT OF FINANCIAL TRANSACTIONS (AIR) [01.04.2016]

S. No.	Nature & Value of Transaction	Reporting Person
5	Receipt from a person aggregating > Rs. 10 Lacs in a FY for acquiring bonds or debentures issued by Co. or institution (other than renewals) [E- 5L]	Company Institution
6	Receipt from a person aggregating > Rs. 10 Lacs in a FY for acquiring shares (including share application money) issued by co. [E- Pub / Rght 1L]	Company
7	Buy back of shares from a person (other than bought in open market) for aggregating > Rs. 10 Lacs in a FY	Listed Co.

STATEMENT OF FINANCIAL TRANSACTIONS (AIR) [01.04.2016]

S. No.	Nature & Value of Transaction	Reporting Person
8	> Rs. 10 Lacs in a FY for acquiring units of 1 or more schemes of a MF (except switching) [E- 2L]	MF
9	Sale of foreign currency including through debit /credit card or traveller chq. or draft etc agg. > Rs. 10 L in a FY	Authorised Dealer
10	Purchase or sale of immovable property value > Rs. 30 L or valued u/s 50C	Registrar

STATEMENT OF FINANCIAL TRANSACTIONS (AIR) [01.04.2016]

S. No.	Nature & Value of Transaction	Reporting Person
11	Receipt of cash payment Rs. 2 Lacs for sale, by any person, of goods or services of any nature (other than above mentioned items).	If liable to Tax Audit

- ✘ Earlier 7 transactions now 13
- ✘ Report annually by 31st May
- ✘ Every reporting person to obtain a Registration No. from PDGIT (Systems)

HOW TO DETERMINE THRESHOLD LIMITS

- ✘ **Take into account all the accounts of the same nature in respect of that person;**
- ✘ **Aggregate all the transactions of the same nature in respect of that person;**
- ✘ **Attribute entire value of transaction or the aggregated value of all transactions to all persons, in a case more than 1 person;**
- ✘ **Apply threshold limit separately to deposits & withdrawals in respect of Current a/c**

DESIGNATED DIRECTOR TO COMPLY

- ✘ **Managing Director or a whole-time Director, as defined in the Companies Act, 2013**
- ✘ **Managing partner if a partnership firm;**
- ✘ **Proprietor if proprietorship concern;**
- ✘ **Managing trustee if a trust;**
- ✘ **Person or individual, as case may be, who controls & manages affairs of reporting entity if reporting person is, unincorporated association or, a BOI or, any other person.**

TCS



TCS

- × **Section 206C (TCS) to provide that the seller shall collect the tax @ 1%:**
 - + **Who receives any consideration for sale of motor vehicle of the value exceeding Rs. 10 Lacs from buyer**
 - + **Who receives any amount in cash for any goods (other than bullion & jewellery) or providing of any services (other than payments on which TDS is made) exceeding Rs. 2 Lacs w.e.f 1st June 2016.**
 - × **Trigger comes at the time of receipt of cash**

TCS ???

- ✘ **Mr. A an agriculturist purchases Innova Car for Rs. 14 Lacs on 30.5.2016. Payment made by NEFT. TCS?**
- ✘ **Would it be different if purchase made on 15.6.2016?**
- ✘ **Mr. B buys material for shop, covered u/s 44AD from D Ltd on 2.6.2016 vide B. No. 0122 Rs. 140500/- & on 2.6.2016 vide B. No. 0128 Rs. 80500/- All payment in cash. TCS?**
- ✘ **Mr. C buys furniture for his home Bill Rs. 250000/- pays Rs 240000/- by NEFT and Rs. 10000/- in cash. TCS?**
- ✘ **Mr. D issues invoice of Rs. 3 Lacs for interior decoration. TDS u/s 194J deducted of Rs. 30000/- payment received Rs. 2.5 L by cheque & Rs. 20000 in cash. TCS?**

TCS ???

- ✘ **Mr. A in business of selling LEDs., covered u/s 44AD for AY 2017-18 annual turnover Rs. 80 Lacs, sells LED to Mr. X for Rs. 3 lacs in cash. TCS??**
- ✘ **Mr. X a salaried person sells his Mercedes Car to Mr. Y for Rs. 25 Lacs in cash. TCS??**
- ✘ **Mr. A dealer of maruti sells car to Mr. B for Rs. 12 Lacs?**
- ✘ **Mr. B in business of selling LEDs., covered u/s 44AD for AY 2017-18 annual turnover Rs. 160 Lacs, sells LED to Mr. Y for Rs. 3 lacs in cash. TCS??**
- ✘ **ABC Trust running a hospital issues a bill of Rs. 3 Lacs for heart operation to Mr. A, which is paid fully in Cash. TCS??**

TCS COMPLIANCE

- ✘ **TCS quarterly statement to be filed.**
- ✘ **Assessee deemed to be in default for (ID) even if buyer pays tax, files return and gives CA certificate**
- ✘ **Failure to pay – interest @1%**
- ✘ **Interest to be paid before furnishing quarterly statement**
- ✘ **Lower TCS certificate possible for (ID)**

SALE / PURCHASE TRANSACTIONS

**Single Bill > 2
Lacs, No cash**

- Obtain PAN, nothing further
- If not, file Form 60 / 61

**Single Bill > 2
Lacs, some cash**

- Obtain PAN, nothing further
- If not, file Form 60 / 61
- Collect TCS @ 1%, file return

**Single Bill < 2 L
but cash received
in year > 2 Lacs**

- No TCS
- File AIR

Section 44AD



Presumptive Tax Scheme

PRESUMPTIVE TAXATION

- **Limit u/s 44AD increased from 1 Cr to 2 Cr**
- **S. 44ADA introduced for Professionals – Limit 50 Lacs – Deemed Income -50%**
- **For firms - partners salary & interest not allowable for business as well as professional**
- **If benefit u/s 44AD not claimed in 1 year then cannot claim in next 5 years. In such case to maintain books if income > maximum amount not chargeable to tax and audit u/s 44AB**
- **No similar clause for professionals u/s 44ADA**
- **Advance Tax for 44AD only– 15th March**

APPLICABILITY OF 44AD / 44AB ON MR. A

**AY 2017-18 - T - Rs. 120 Lacs . P
- 10 L, TI - 9 L**

• Y/N

**AY 2018-19 - T - Rs. 120 Lacs . P
- 8 L, TI - 6 L**

• N/Y


**AY 2019-20 - T - Rs. 70 Lacs . P -
10 L, TI - 9 L**

• N/Y

**AY 2020-21 - T - Rs. 60 Lacs . P -
10 L, TI - 2 L**

• N/N

SECTION 44AB

- **44AB limit for profession increased to 50Lacs**
 - **Audit of professionals below fifty lacs if receipt below 50 Lacs and s. 44ADA benefit not taken**
 - **If benefit u/s 44AD not claimed in 1 year then cannot claim in next 5 years. In such case to maintain books if income exceeds maximum amount not chargeable to tax**
 - **Provision for assesses covered u/s 44AD(4)**
- 

TDS ???

- ✘ **Mr. C in business covered u/s 44AD for AY 2017-18 annual turnover Rs. 160 Lacs. Pays rent of Rs. 2 Lacs in AY 2018-19. TDS u/s 194 I??**
- ✘ **Mr. A is in business covered u/s 44AD(4) for AY 2018-19 annual turnover Rs. 110 Lacs. Interest paid Rs. 50000/- in AY 2019-20. TDS u/s 194A?**
- ✘ **Mr. B is in business covered u/s 44AD(4) for AY 2018-19 annual turnover Rs. 80 Lacs. Pays Rs. 1 Lac to contractor in AY 2019-20. TDS u/s 194C?**
- ✘ **194 C – audit, others limits**

Equalisation Levy

By

Finance Act, 2016
Budget 2016

Income Tax Act, 1961

EQUALIZATION LEVY

- **New levy under Chapter VIII of Finance Act w.e.f. 1st June 2016**
- **Applicable to whole of India except J&K**
- **Applicable on consideration received or receivable for specified services provided**
- **Specified service means:**
 - **online advertisement,**
 - **any provision for digital advertising space or**
 - **any other facility or service for the purpose of online advertisement**
 - **any other service as may be notified**

EQUALIZATION LEVY

- **Levy @ 6% to be deducted by a:**
 - **Person resident in India & carrying on business or profession; or**
 - **Non-resident having a PE in India**
- **Not applicable when:**
 - **Non-resident service provider has PE in India & income is connected to such PE**
 - **Where payment is not for carrying out business or profession**
 - **Aggregate amount of consideration does not exceed Rs. 1 Lac in any PY**

EQUALIZATION LEVY

- **Not applicable when:**
 - **Non-resident service provider has PE in India and income is connected to such PE**
 - **Where payment is not for carrying out business or profession**
 - **Aggregate amount of consideration does not exceed Rs. 1 Lac in any previous year**
- **Non deduction – Expenditure not allowable u/s 40(a)(ib)**
- **To be deposited by 7th of next month**
- **Amounts to be rounded off to nearest Rs. 10/-**
- **Late payment interest @ 1% p.m.**

EQUALIZATION LEVY

- **Penalty for non deduction – 100% of the amount to be deducted apart from tax & Intt.**
- **Penalty for late deposit – Rs. 1000/- per day subject to maximum of tax to be deposited**
- **Annual statement of Specified services to be filed by 30th June every year using DSC or EVC**
- **Belated / Revised statement can be filed at any time before the expiry of two years from the end of the FY in which the specified service was provided.**
- **In case statement not filed, then on notice to be filed within 30 days**

EQUALIZATION LEVY

- **Penalty - not filing in time or not filing on notice**
 - **Rs. 100/- p.d. unless reasonable cause proved**
- **Imprisonment upto 3 yrs & fine if false statement**
- **Statement to be processed within 1 yr from end of the FY in which statement furnished.**
- **Rectification can be done within 1 yr from end of the FY in which statement furnished**
- **Notice of demand to be in Form 2**
- **Appeal to CIT(A) in Form 3 to be filed electronically**
- **Appeal to ITAT in Form 4**

INCOME DECLARATION SCHEME 2016



INCOME DECLARATION SCHEME 2016

- **Chapter IX of Finance Act 2016**
- **From 1st June 2016 to 30th September 2016 on undisclosed income / asset**
 - **Tax – 30% of income declared**
 - **Krishi Kalyan Cess – 25% of such tax (i.e. 7.5%) &**
 - **Penalty – 25% of such tax (i.e. 7.5%).**
- **Applicable to income of any FY upto 2015-16 for which:**
 - **he has failed to furnish a return u/s. 139**
 - **he has failed to disclose in ROI furnished before 1.6.2016**
 - **has escaped assessment due to omission/failure to furnish return or to disclose fully & truly all material facts necessary for assessment or otherwise.**

INCOME DECLARATION SCHEME 2016

- **Declarations made under scheme shall be exempt from wealth-tax in respect of assets specified in declaration**
- **No deduction of any expenditure or allowance to be allowed against income in respect of which declaration is made.**
- **Only one declaration can be made by one person.**
- **Taxes, surcharge & interest to be paid by 30th November 2016**
- **If not paid, then declaration filed by him shall be deemed never to have been made under this Scheme**
- **Amount paid is not refundable**
- **Would cover undisclosed income not assessed though assessed or in appeal for other incomes for same AY**

IDS 2016 - VALUE

- **Asset at higher of cost or fair market value -1.6.2016**
- **If asset is partly from income that has been assessed to tax earlier – to be excluded**
 - **Investment in asset in PY 2013-14 = Rs.50000 out of which Rs. 20000 assessed to tax in A.Y. 2012-13 and Rs. 30000 is undisclosed income of PY 2013-14. The FMV of asset as on 1.06.2016 is Rs.150000.**
 - **FMV = 150000 minus $(150000 \times 20000/50000)$ = Rs.90000**
- **Bullion, jewellery, precious stone or artistic work to be valued by registered valuer or at cost whichever is high**
- **Immovable property – valuation report by registered valuer or cost whichever is high**

IDS 2016 - VALUE

- Unquoted shares to be valued at cost of FMV whichever is high. FMV=
- $(A+B - L) \times PV / PE$
 - A = book value of all assets in B/S as on 31.3. 2016 (other than bullion, jewellery, precious stone, artistic work, shares, securities and immovable property) as reduced by
 - income-tax paid less income-tax refund
 - deferred expenditure which does not represent the value of any asset
 - B = FMV of bullion, jewellery, precious stone, artistic work, shares, securities and immovable property as determined in the Scheme

IDS 2016 - VALUE

- **L= book value of liabilities excluding :—**
 - **paid-up capital in respect of equity shares**
 - **amount set apart for payment of dividends**
 - **reserves and surplus,(including loss) other than those set apart towards depreciation**
 - **provision for taxation**
 - **provisions for liabilities, other than ascertained liabilities**
 - **contingent liabilities other than arrears of dividends payable in respect of cumulative preference shares**
- **PE = paid up equity share capital as shown in B/S**
- **PV= paid up value of such equity share**
- **For firm / LLP = A + B - L**

INCOME DECLARATION SCHEME 2016

- **Scheme not to apply:**
 - **Notice u/s 142 / 143(2) / 148 / 153A / 153C issued & proceedings pending**
 - **For those years only, other years allowed**
 - **Declaration that no notice received to be filed in Form 1**
 - **Search / survey conducted & time for issuance of notice not expired**
 - **Information is received under an agreement with foreign countries regarding such income**
 - **Cases under Black Money Act**
 - **Persons notified under Special Court (Trial of offences relating to securities) Act 1992**

INCOME DECLARATION SCHEME 2016

- **Scheme not to apply:**
 - **Cases covered under Narcotic Drugs and Psychotropic Substances Act, Indian Penal Code, Prevention of Corruption Act or Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974.**
- **If undisclosed income ever credited in bank account, detail of bank also to be given**
- **Declaration - electronically under DSC in Form 1**
- **Valuation Report not to be filed**
- **Acknowledgement in Form 2 within 15 days of end of month in which declaration made**
- **Proof of payment in Form 3. Payment by 30.11. 2016**

INCOME DECLARATION SCHEME 2016

- **If tax not paid – income to be taxed in AY 2017-18**
- **Pr CIT or CIT to issue certificate in Form 4**
- **For CG purposes cost of such asset to be FMV on 1st June 2016... period of holding / indexation !!!!**
- **If any income found ineligible to be under scheme – normal IT provisions shall apply.**
- **If undisclosed income/asset not declared, then such income / asset shall be deemed to have accrued, arisen or received or acquired, in year in which notice u/s 142 / 143(2) / 148 / 153A / 153C is issued & provisions of IT Act shall apply accordingly**
- **Information in respect of declaration made is confidential**

IDS2016 EFFECT OF VALID DECLARATION

- **Undisclosed income declared shall not be included in total income of declarant under IT Act for any AY**
- **Contents of declaration shall not be admissible in evidence against declarant in any penalty / prosecution proceedings under IT / WT Act**
- **Immunity from Benami Transactions (Prohibition) Act, shall be available subject to that benamidar shall trf to declarant or his legal representative asset in respect of which declaration of undisclosed income is made**
- **No Wealth tax of declared asset.**
- **Will not affect finality of completed assessments.**
Declarant will not be entitled to claim re-assessment of any earlier year or revision of any order or any benefit or set off or relief in any appeal / proceedings under IT Act

DIRECT TAX DISPUTE RESOLUTION SCHEME 2016



DT DISPUTE RESOLUTION SCHEME

- **Chapter X of Finance Act 2016**
- **Starts from 1st June 2016**
- **Ends on 31st December 2016**
- **Scheme is for**
 - **Tax Arrears**
 - **Specified Tax**
- **Declaration to be made in Form 1**
- **Undertaking in Form-2 in case of specified tax**
- **To be signed by the person referred in s. 140**
- **A certificate in Form-3 within 60 days of the declaration**
- **Payment proof thereof in Form-4 within 30 days**
- **Order shall be in Form-5 for Tax Arrears**
- **Order shall be in Form 6 in respect of Specified Tax.**

DISPUTE RESOLUTION SCHEME – TAX ARREAR

- **Applicable for dispute of which appeal is pending before the CIT (A) or CWT(A) as on 29th February, 2016.**
- **The pending appeal could be against an assessment order or a penalty order.**
- **Pay tax and interest upto date of assessment. (in case of disputed tax > Rs. 10,00,000/-, 25% of the minimum penalty shall also be paid).**
- **For Penalty Order, 25% of minimum penalty shall be payable along with tax & interest on assessment or reassessment.**
- **Consequent to such declaration, appeal in respect of the disputed income pending before the Commissioner (Appeals) shall be deemed to be withdrawn**

DISPUTE RESOLUTION SCHEME – SPECIFIED TAX

- **Means - Tax determined in consequence of or validated by any amendment made to IT Act or Wealth-tax Act with retrospective effect & relates to a period prior to date of enactment of such amendment and a dispute in respect of such tax is pending as on 29th February, 2016**
- **To pay only amount of such tax**
- **Has to withdraw any writ petition or any appeal filed.**
- **If violates any of the conditions of scheme or furnishes false particulars in declaration, it shall be presumed as if the declaration was never made and all the consequences under the Act shall revive.**

DISPUTE RESOLUTION SCHEME NON ELIGIBILITY

- **Cases where prosecution initiated before date of filing of declaration.**
- **Search or Survey cases where declaration is in respect of tax arrears.**
- **Cases relating to undisclosed foreign income and assets.**
- **Cases based on information received under DTAA u/s 90/ 90A where declaration is in respect of tax arrears.**
- **Person notified under Special Courts Act, 1992.**
- **Cases covered under Narcotic Drugs and Psychotropic Substances Act, Indian Penal Code, Prevention of Corruption Act or Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974.**

DISPUTE RESOLUTION SCHEME - EFFECTS

- **Immunity from instituting any proceedings in respect of an offence under IT Act / WT Act**
- **Immunity from imposition or waiver, as the case may be, of penalty under IT Act / WT Act, in respect of specified tax / tax arrear covered in the declaration to the extent the penalty**
- **Waiver of interest under the IT Act / WT Act, in respect of specified tax / tax arrear covered in the declaration to the extent the interest**
- **Amount paid in pursuance of a declaration shall not be refundable under any circumstances**

THANK YOU



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