

arrear or the specified tax as the case may be, and the sum payable after such determination.

Sub-section (2) of Section 204 provides that the declarant shall pay the sum determined by the Designated Authority as per the certificate within 30 days of the date of the receipt of the certificate and shall intimate the fact of making the payment along with proof thereof to the Designated Authority.

On receipt of such intimation the Designated Authority shall pass an order stating that the declarant has paid the sum as per the scheme.

Order passed by the Designated Authority shall be conclusive as regards the settlement of dispute relating to disputed income covered by the order and such dispute shall not be reopened in any proceeding under the Income-tax Act or Wealth-tax Act or under any law for the time being in force.

D. Withdrawal of litigation

In accordance with Section 203(2) where a declaration has been filed in respect of tax arrears, appeal pending before CIT(A) or CWT(A), as the case may be, relating to disputed income or disputed wealth shall be deemed to have been withdrawn.

E. Immunity Granted

Immunity from initiation of proceedings in respect of offence and imposition of penalty in certain cases has been provided.

To avail of the DTDRS, you may approach your Pr. Commissioner/Commissioner of Income Tax to discuss benefits of the Scheme as applicable in your case. For further details including Frequently Asked Questions (FAQs), please visit our website <https://www.incometaxindia.gov.in>

Scheme Not Applicable in certain cases:

Please refer to Section 208 of DTDRS Scheme, 2016 for details.

Compliance Window

Scheme is open till 31st December, 2016

Declarant shall pay the sum determined by Pr.CIT/CIT as per the certificate within 30 days.

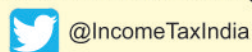
For queries please: Call toll free no.: **1800-180-1961** |

E-mail to : ustpl4-rev@nic.in | Visit: www.incometaxindia.gov.in



Income Tax Department

www.incometaxindia.gov.in



**Quickest Resolution
to your
Direct Tax Disputes**

**Direct Tax Dispute Resolution
Scheme, 2016 (DTDRS)**



Direct Tax Dispute Resolution Scheme, 2016 (DTDRS)

Income Tax Department has provided an opportunity to settle your dispute by availing the Direct Tax Dispute Resolution Scheme, 2016 (DTDRS). The Scheme was introduced with effect from 01.06.2016 with the aim to reduce taxpayer grievance and the ensuing uncertainty caused by long pending litigation before the Commissioner of Income Tax (Appeals).

The Scheme offers relief in the following manner:

- I. Tax payable would include Tax & Interest till the date of assessment. Interest accrued thereafter would not form part of tax payable.
- II. If any disputed tax is Rs. 10 lakh or below, penalty would stand waived on payment of tax & interest.
- III. Where the disputed tax is more than Rs. 10 lakh, penalty of 75% would stand waived on payment of tax, interest and 25% of penalty levied / leviable.
- IV. In the case of a penalty appeal, the same can be resolved on payment of 25% provided the tax and all interest dues have been paid.

V. Immunity from initiation of proceedings in respect of offence and imposition of penalty in certain cases.

A. Commencement and Scope of the Scheme

Declaration can be filed under the Scheme on or after 1-6-2016 but before 31-12-2016, before the Designated Authority, who has been defined to be an Officer not below the rank of Commissioner of Income-Tax.

The Scheme is applicable to two categories of cases relating to:

- I. Tax arrears in respect of which appeal is pending before the Commissioner of Income-Tax (Appeals) or Commissioner of Wealth-Tax (Appeals) as on 29-2-2016.
- II. Specified tax in respect of which appeal, writ or any other proceedings are pending as on 29-2-2016.

'Tax arrears' has been defined u/s. 201(1)(h) to mean the amount of tax, interest or penalty determined under the Income-tax Act or Wealth-tax Act, 1957.

'Specified tax' has been defined in Section 201(1)(g) to mean the tax determined consequent upon, validation or retrospective amendment of a provision of Income-tax Act or Wealth-tax Act relating to the period prior to the date of amendment.

B. Amount payable under the Scheme

In case where appeal is relating to tax arrears involving amount of tax and interest and disputed tax does not exceed Rs. 10 lakh, the assessee is liable to pay the disputed tax and interest on the same till the date of assessment or re-assessment, as the case may be.

In case the appeal relating to tax arrears involving amount of disputed tax of Rs. 10 lakh or more, the assessee has to pay disputed tax and interest thereon till the date of assessment or reassessment, as the case may be, and also 25% of minimum penalty leviable.

In case the appeal is relating to penalty, assessee is liable to pay 25% of the minimum penalty leviable apart from tax and interest payable on the total income finally determined.

In a case relating to specified tax, the assessee is liable to pay the amount of tax determined.

C. Filing of Declaration, determination of amount payable and passing of order by Designated Authority

As provided u/s. 203(1), a declaration is to be filed before the Designated Authority in Form 1 and Form 2 (where applicable).

Section 204 provides that Designated Authority shall within a period of sixty days from the date of receipt of the declaration determine the amount payable by the declarant in accordance with the provisions of this Scheme and grant a certificate in Form 3 to the declarant setting forth therein the particulars of tax

