CBDT sets up committee to simplify tax procedures

In yet another step to simplify tax procedures, CBDT has constituted a committee to redraft existing guidelines for undertaking write-off procedures in irrecoverable tax demand cases.

The five-member committee will be headed by a Chief Commissioner of Income Tax and has been asked by the board to submit it report and recommendations by March 31.

According to an official order issued by the Central Board of Direct Taxes (CBDT) in this regard, the committee has been formed to make guidelines and rules in this context "simpler and easier to administer."

"There are many revenue cases under the 'difficult or impossible to recover' category that languish for years as existing guidelines are considered difficult to execute. This also consumes a lot of time. The board felt that as per the government's desire to simplify tax rules, promote ease of procedures and cutting down on litigation, such a step was required," a senior I-T department officer said.

The committee has been constituted "to redraft the existing guidelines for write-off of irrecoverable demands so as to harmonise these with the prevailing economic and administrative circumstances," the order said.

The committee, while preparing the report, will also take into consideration the Tax Administration Reform Commission (TARC) recommendations made in this regard.

The official said revenue worth crores of rupees is stuck under the irrecoverable tax demand category at present.

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