

Union Cabinet approves abolition of Ombudsman for direct, indirect taxes

The institution of Income-Tax Ombudsman was set up in 2003 to deal with grievances of public related to settlement of complaints relating to income tax.

The Union Cabinet on Wednesday decided to abolish institutions of Ombudsman for income tax and indirect tax.

The approval comes against the backdrop of people preferring online grievance redressal mechanism.

The institution of Income-Tax Ombudsman was set up in 2003 to deal with grievances of public related to settlement of complaints relating to income tax.

However, the institution failed to achieve its objectives as the number of new complaints have fallen to single digits, said an official release.

"The approval comes in the wake of alternative complaint redressal mechanisms chosen by public and the institution of Ombudsman could not prove to be more effective than regular existing parallel channels of grievance redressal, both the institutions of Income-Tax Ombudsman as well as Indirect Tax Ombudsman have been abolished," it said.

Tax payers are now preferring alternate methods of grievance redressal, like Centralised Public Grievance Redress and Monitoring System, and Aaykar Seva Kendras.

(Economic Times)