

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1520
ANSWERED ON:03.03.2000
TH PHALGUNA SAKA PENDING TAX APPEALS
SHIVAJI VITHALRAO KAMBLE

Will the Minister of FINANCE be pleased to state:

- (a) the total number of tax appeals pending as on 31.12.99, State-wise, with total amount of tax claims recovered with classification of major case by period and tax arrears;
- (b) the special initiatives have been taken/proposed for quick disposal of cases and reasonable/hassle free recovery of tax arrears/claims;
- (c) the vacancy position of Senior Tax Officers in each State, particularly in Maharashtra, along with details of steps taken/propose during 2000-2001 to strengthen the tax settlement/ recovery tribunals in each State; and
- (d) the details of other innovative measures taken/proposed to deal with mouting arrears of pending tax settlement Cases and ensure better revenue collection?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR)

(a): State-wise number of tax appeals pending as on 31.12.1999 is enclosed. The number of cases relating to income tax where demand is more than Rs. one lakh is 27108 crore. The total amount of arrears relating to central excise and customs duties is Rs. 3017.61 crores and Rs. 216.65 crores, respectively.

(b): Steps taken for quick disposal of cases and recovery of tax arrears include bunching of cases issue-wise or cases covered by earlier judgements of higher courts, making special efforts to get the stays vacated by filing urgent petitioners in the courts, periodically monitoring and co-ordinating the pending cases by holding meetings/discussions with concerned officials, sanctioning additional benches of the Income tax Appellate Tribunal, and enhancing the monetary limit for appeal to be heard by a Member of the Tribunal sitting singly.

(c): The vacancy position of Chief Commissioners/Commissioners, State-wise, is as follows:

STATE	NO. OF VACANCIES
Bihar	1
Delhi	3
Gujarat	3
Haryana	1
Karnataka	2
Kerala	1
Madhya Pradesh	2
Maharashtra	7
Rajasthan	1
Tamil Nadu	5
Uttar Pradesh	1
West Bengal	4

To strengthen the tax settlement machinery, a Customs and Central Excise Settlement Commission has been set up on 1999.

(d): For recovery of outstanding tax dues, in 1998-99, a one-time Kar Vivad Samadhan Scheme was introduced which enabled tax payers in dispute with the Department and having tax arrears due as on 1.3.98, to opt for the Scheme and pay only 50% of the tax arrears. With effect from 1.10.98, provision for direct appeal to the High Courts, under the Income Tax Act, has been introduced, replacing the old systems of filing reference application before the Appellate Tribunal to refer a question of law to the High Court. Vide the Finance Act, 1999, the Income Tax Act has been amended, enabling the Commissioner (Appeals) and the Tribunal, where it is possible, to decide every appeal within a period of one year and four years, respectively, from the end of the financial year in which the appeal was filed. Measure taken to improve revenue collection include the introduction of a modern system of audit relating to excise

duty, which will help in detecting short payments or avoidance of duty, setting up anti-evasion measures by effective gathering of intelligence, surprise checks of production and clearance, and legislative measures such as rationalisation of tariff structure, simplification of procedures and provisions for imposition of penalty

ENCLOSURE REFERRED TO IN PART (a) OF LOK SABHA UNSTARRED QUESTION NO. 1520 FOR ANSWERE ON 3.3.2000

STATE-WISE NUMBER OF TAX APPEALS PENDING AS ON 31.12.2999

STATE NO. OF APPEALS PENDING

ANDHRA PRADESH	18288
ASSAM	4764
BIHAR	2719
DELHI	52338
GOA	3102
GUJARAT	58517
HARYANA	13075
HIMACHAL PRADESH	1509
JAMMU & KASHMIR	1188
KERALA	13499
MAHARASHTRA	113501
MADHYA PRADESH	9229
MANIPUR	41
MEGHALAYA	239
KARNATAKA	19194
NAGALAND	26
ORISSA	9581
PUNJAB	10955
RAJASTHAN	28298
TAMILNADU	42172
TRIPURA	42
UTTAR PRADESH	46138
WEST BENGAL	35473