

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3428  
ANSWERED ON:30.08.2013  
VOLUNTARY COMPLIANCE ENCOURAGEMENT SCHEME  
Thamaraiselvan Shri R.

**Will the Minister of FINANCE be pleased to state:**

- (a) The number of service tax declaration filed and revenue generated along with the proportion out of it pertaining to tax defaulters;
- (b) Whether the Government has launched / proposes to launch voluntary compliance encouragement scheme campaign;
- (c) If so, the details thereof and the success achieved therefrom till date; and
- (d) The steps taken or proposed to be taken to garner maximum revenue therefrom?

**Answer**

MISNISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI J.D.SEELAM)

(a), (b) &(c): The Service Tax Voluntary Compliance Encouragement Scheme (VCES) has been brought into effect from 10.05.2013 to encourage voluntary compliance and broaden the service tax base by waiver of interest, penalty and any other consequences to a stop filer, non- filer or non- registrant or any other service provider who is eligible to make declaration under the Scheme on making a true declaration by 31st December,2013, of his tax dues for the period from October 2007 to December 2012 and paying at least 50% of the declared tax dues on or before the 31st December,2013. Remaining tax dues shall be paid on or before 30th June,2014 without interest. Any tax dues remaining unpaid on 30th June, 2014 shall be paid by 31st December, 2014 alongwith interest for the period of delay after 30th June 2014. Since the scheme envisages payment in two instalments, the first of which should be by 31.12.2013, it is too early to estimate the success of the scheme.

(d): The scheme is being publicized centrally in the electronic & print media. Field formations have been instructed to increase awareness about the scheme in their jurisdiction by holding meetings with trade associations, opening Help Desks & asking designated authorities to assist assesseees who seek clarifications under this scheme.