

F No279/Misc/M-61/2016
Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes

New Delhi, Dated: 26th September, 2016

To,

All Principal Chief Commissioners of Income-tax
Principal Chief Commissioner of Income-tax (IT&TP)
Chief Commissioner of Income Tax (Exemptions)

Madam/Sir,

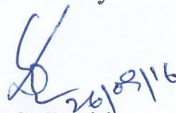
**Subject: Implementation of the Direct Tax Dispute Resolution Scheme,2016-
Reg.**

As a measure to improve the awareness of the Direct Tax Dispute Resolution Scheme, 2016 among the appellants who are most likely to take the advantage of Scheme, it has been decided to focus attention on appellants whose cases are under herring before the Commissioner (Appeal).

2. In view of the same it has been decided that CIT (A) under your jurisdiction may be directed to append the "Flyer" without signature as per Annexure enclosed while sending the notice for hearing to the assessee to familiarize him with this Scheme.

3. This issues with the approval of Member (A&J) CBDT.

Yours faithfully


D.S. Rathi
DCIT(OSD)(ITJ)
CBDT

Encl. as above :-

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Direct Tax Dispute Resolution Scheme, 2016

The Direct Tax Dispute Resolution Scheme, 2016, The (Scheme) was introduced with effect from 01.06.2016. The primary aim is to reduce tax payer grievance and uncertainty caused due to long pending litigation before the Commissioner Income Tax (Appeals). Whereas, litigation before CIT (A) is disputed chronologically and is dependent on tax effect, the Scheme provides an outer limit of 120 days for resolution of the pending matters. Practically, this period would be much shorter.

2. The Scheme provides for further relief in the following ways:

- (i) Tax payable would include tax & interest till the **date of assessment**. Interest accrued thereafter would not form part of tax payable.
- (ii) If and disputed tax is below Rs. 10 lakhs. penalty would stand waived on payment of tax & interest.
- (iii) Where the disputed tax is more than Rs. 10 lakhs, 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 due have been paid.
- (v) Immunity from prosecution on the disputed tax would be available.

3. The Scheme, thus, provides a time bound process to resolve pending litigation without any uncertainty of the amount payable, which has been kept at that minimum. You may like to approach your Pr. Commissioner of Income Tax/Commissioner of Income Tax and Commissioner of Income Tax (Appeal) to discuss the benefits of the scheme as applicable in your case.