

TAX FLASH NEWS

28 April 2020



CBDT issues corrigenda to the revised circular relating to FAQs on 'Vivad se Vishwas Scheme'

The Finance Minister announced a new Dispute Resolution Scheme (Vivad se Vishwas Scheme) in her Budget Speech for 2020-21 with a view to reduce litigation. Following this, on 5 February 2020, the government introduced the 'Direct Tax Vivad se Vishwas Bill, 2020' (the Bill) in the Lok Sabha.

In March 2020, the Central Board of Direct Taxes (CBDT) had issued a circular¹ providing clarifications on various Frequently Asked Questions (FAQs). Subsequently, the Direct Tax Vivad Se Vishwas Act, 2020 was passed by the Parliament and received presidential assent.

In March 2020, in view of Covid-19 outbreak in India, the President promulgated the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 whereby the time limit for making payment to avail the Scheme, without any additional amount has been extended from 31 March to 30 June 2020.

CBDT had issued a revised Circular No.9 (dated 22 April 2020) making certain modifications in the FAQs relating to the Scheme. Even though the ordinance extended the time limit to 30 June 2020, certain FAQs in the revised circular referred to 31 March 2020.

On 27 April 2020, CBDT has issued a corrigenda to the revised circular. The corrigenda rectified the following FAQs and the date '31 March 2020' has been replaced by '30 June 2020'.

FAQ No.	Particulars
26	Computation of disputed tax where disputed demand including interest has been paid by the taxpayer while being in appeal
28	Amount of tax required to be paid to avail the benefit of the Scheme
29	Credit for earlier taxes paid against disputed tax
41	Time available for paying the taxes after filing a declaration under the Scheme

Our comments

In view of Covid-19 outbreak, the government has extended the time limit for making payment to avail the Scheme, without any additional amount from 31 March to 30 June 2020.

Even though the ordinance had extended the time limit to 30 June 2020, certain FAQs in the revised circular inadvertently referred to 31 March 2020.

The corrigenda to the revised circular rectifies the FAQs in line with the ordinance. This will provide relief to taxpayers who would like to avail the scheme.

¹ CBDT Circular No.7/2020, dated 4 March 2020

home.kpmg/in/socialmedia

Ahmedabad

Commerce House V, 9th Floor,
902, Near Vodafone House, Corporate
Road,
Pralhad Nagar,
Ahmedabad – 380 051.
Tel: +91 79 4040 2200

Bengaluru

Embassy Golf Links Business Park,
Pebble Beach, 'B' Block,
1st & 2nd Floor,
Off Intermediate Ring Road, Bengaluru –
560071
Tel: +91 80 6833 5000

Chandigarh

SCO 22-23 (1st Floor),
Sector 8C, Madhya Marg,
Chandigarh – 160 009.
Tel: +91 172 664 4000

Chennai

KRM Towers, Ground Floor,
1, 2 & 3 Floor, Harrington Road,
Chetpet, Chennai – 600 031.
Tel: +91 44 3914 5000

Gurugram

Building No.10, 8th Floor,
DLF Cyber City, Phase II,
Gurugram, Haryana – 122 002.
Tel: +91 124 307 4000

Hyderabad

Salarpuria Knowledge City,
6th Floor, Unit 3, Phase III,
Sy No. 83/1, Plot No 2,
Serilingampally Mandal,
Ranga Reddy District,
Hyderabad – 500 081.
Tel: +91 40 6111 6000

Jaipur

Regus Radiant Centre Pvt Ltd.,
Level 6, Jaipur Centre Mall,
B2 By pass Tonk Road,
Jaipur – 302 018.
Tel: +91 141 - 7103224

Kochi

Syama Business Centre,
3rd Floor, NH By Pass Road,
Vytilla, Kochi – 682 019.
Tel: +91 484 302 5600

Kolkata

Unit No. 604,
6th Floor, Tower – 1,
Godrej Waterside,
Sector – V, Salt Lake,
Kolkata – 700 091.
Tel: +91 33 4403 4000

Mumbai

1st Floor, Lodha Excelus,
Apollo Mills,
N. M. Joshi Marg,
Mahalaxmi,
Mumbai – 400 011.
Tel: +91 22 3989 6000

Noida

Unit No. 501, 5th Floor,
Advant Navis Business Park,
Tower-A, Plot# 7, Sector 142,
Expressway Noida,
Gautam Budh Nagar,
Noida – 201 305.
Tel: +91 0120 386 8000

Pune

9th floor, Business Plaza,
Westin Hotel Campus, 36/3-B,
Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
Pune – 411 001.
Tel: +91 20 6747 7000

Vadodara

Ocean Building, 303, 3rd Floor,
Beside Center Square Mall,
Opp. Vadodara Central Mall,
Dr. Vikram Sarabhai Marg,
Vadodara – 390 023.
Tel: +91 265 619 4200

Vijayawada

Door No. 54-15-18E,
Sai Odyssey,
Gurunanak Nagar Road, NH 5,
Opp. Executive Club, Vijayawada,
Krishna District,
Andhra Pradesh – 520 008.
Tel: +91 0866 669 1000

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2020 KPMG, an Indian Registered Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

This document is meant for e-communication only