

Union Budget 2020

Vivad Se Vishwas Scheme (VVS) for Direct Taxes

Features and Challenges!

[2nd February 2020]

CA Pritam Mahure and Associates

Vivad Se Vishwas Scheme (VVS)

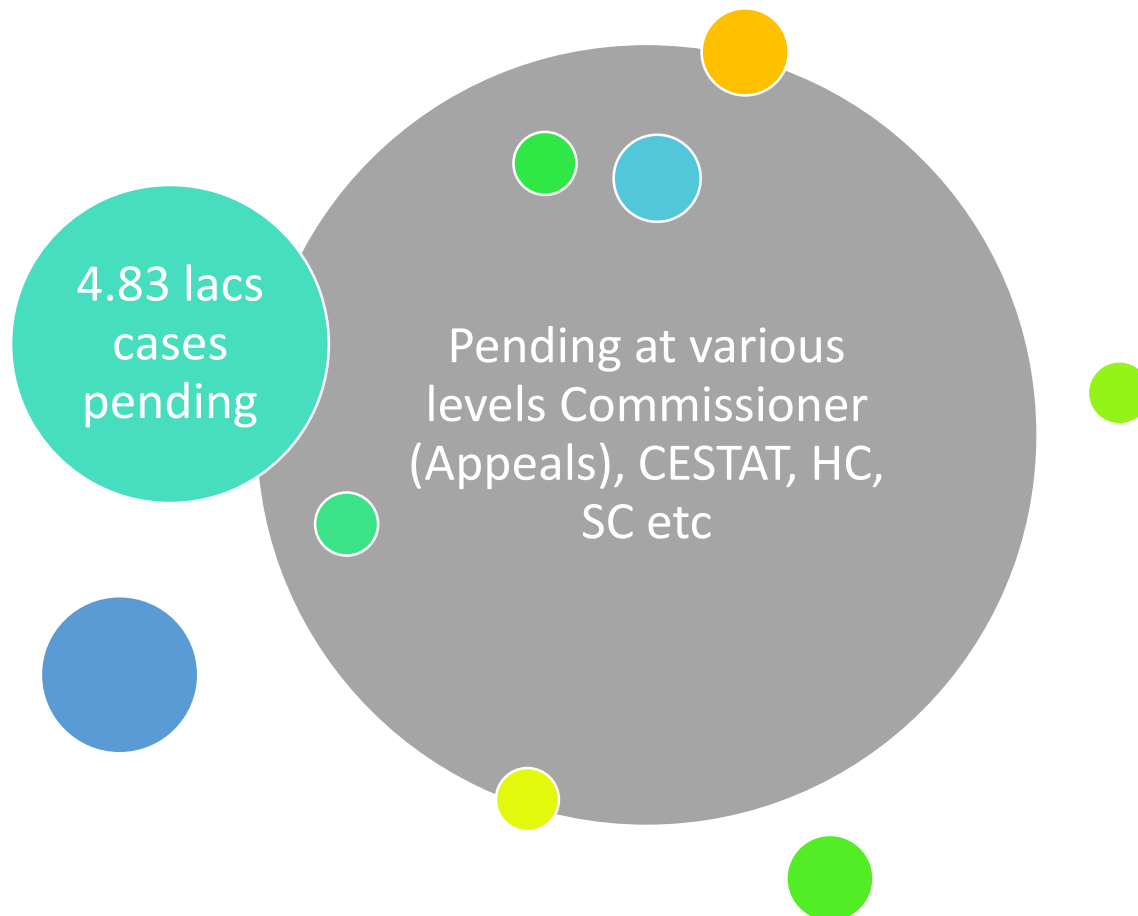
VVS for Direct Tax
announced

**Now, its raining discounts on
Income Tax liabilities!**

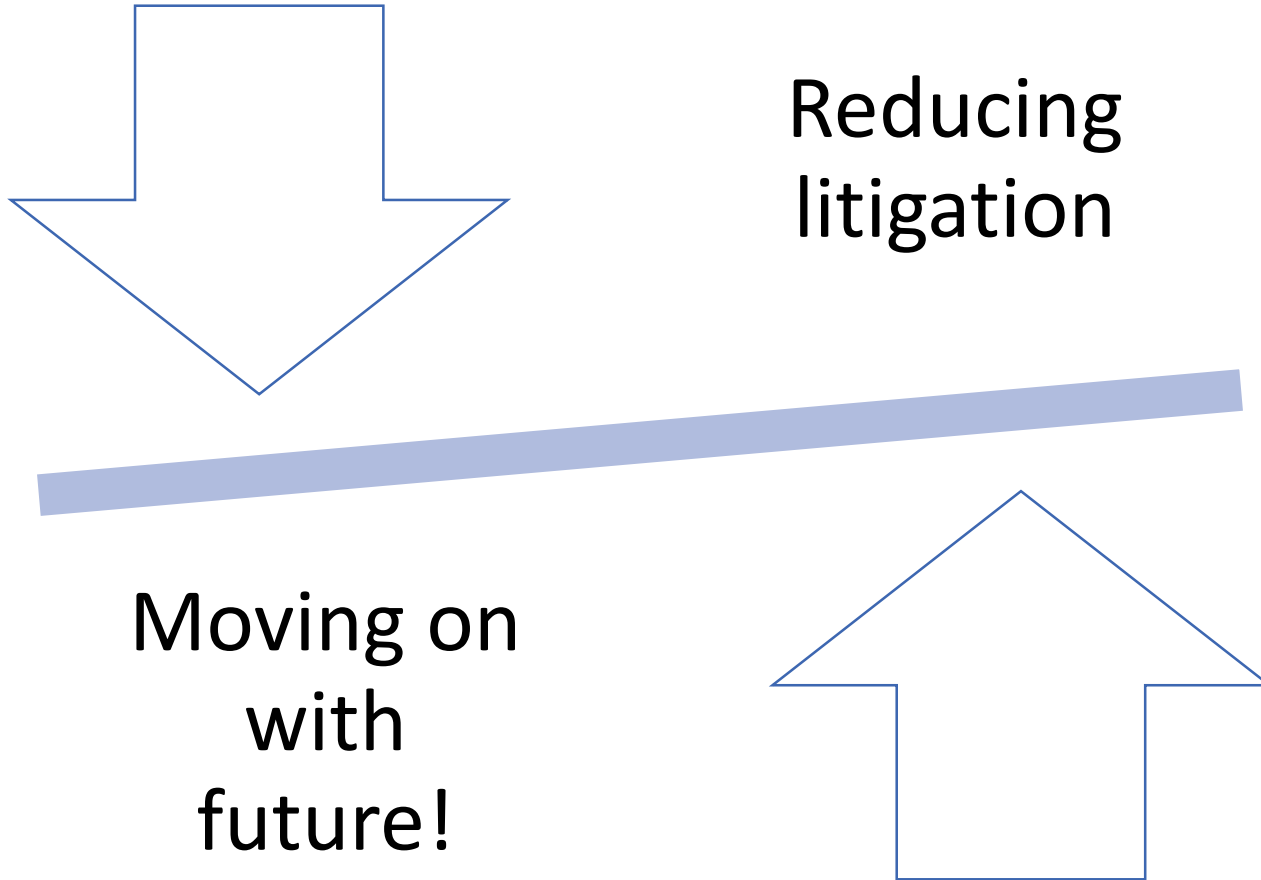
VVS for Direct Tax!

Why introduced?

Why?



Two thing VVS proposes to achieve!



Your Date with VVS!

Till 31.03.2020

- Pay tax in full
- Get waiver of interest, penalty etc



Till 30.06.2020

- Pay tax in full
- Pay certain additional amount
- Get waiver of interest, penalty etc

VVS

In the lines of Sabka Vishwas
Scheme!

Precedence – Sabka Vishwas Scheme

SVLDRS

- Last year, Union Budget 2019 had introduced Sabka Vishwas (Legacy Dispute Resolution) Scheme ('SVLDRS') for 'Service Tax' and 'Excise' pending cases

SVLDRS's success

- As on 1.02.2020 – Closure of more than 1.89 lac cases (Para 126 of Budget Speech 2020)

Vivad se Vishwas Scheme (VVS)

Legislative Framework!

VVS - Legislation

Notification

- To be notified

Rules

- To be notified

Circular

- To be issued

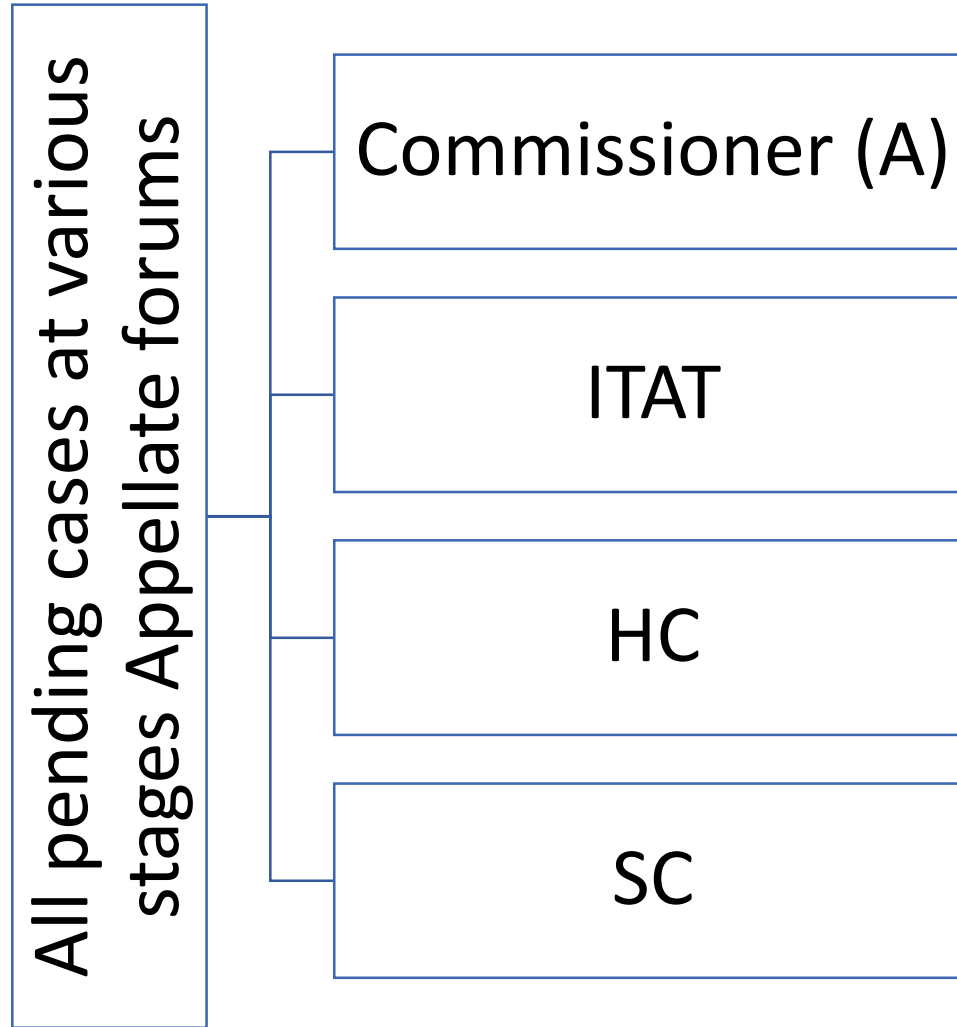
FAQs

- To be issued

System

- To be put in place

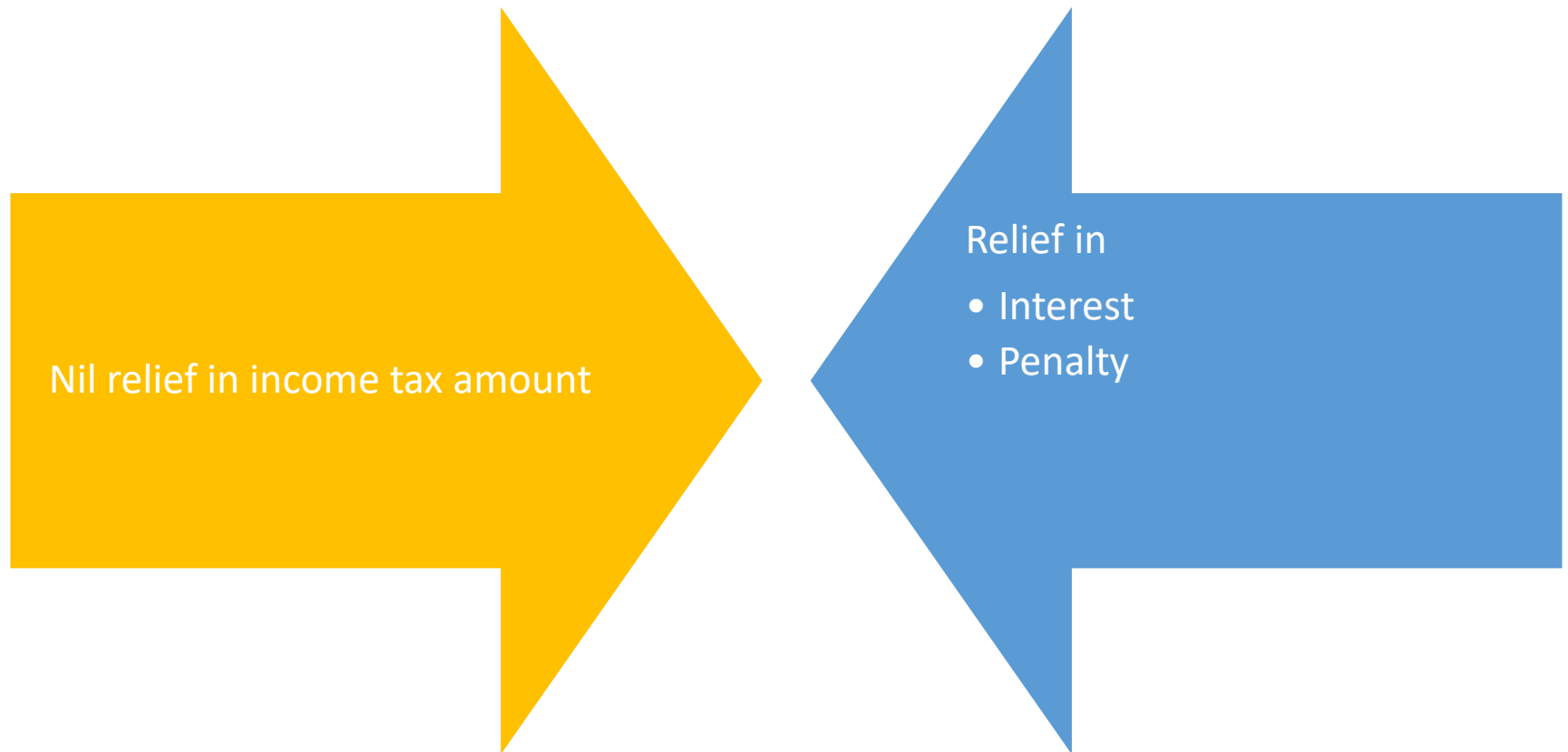
Coverage of VVS



VVS

What relief it provides?

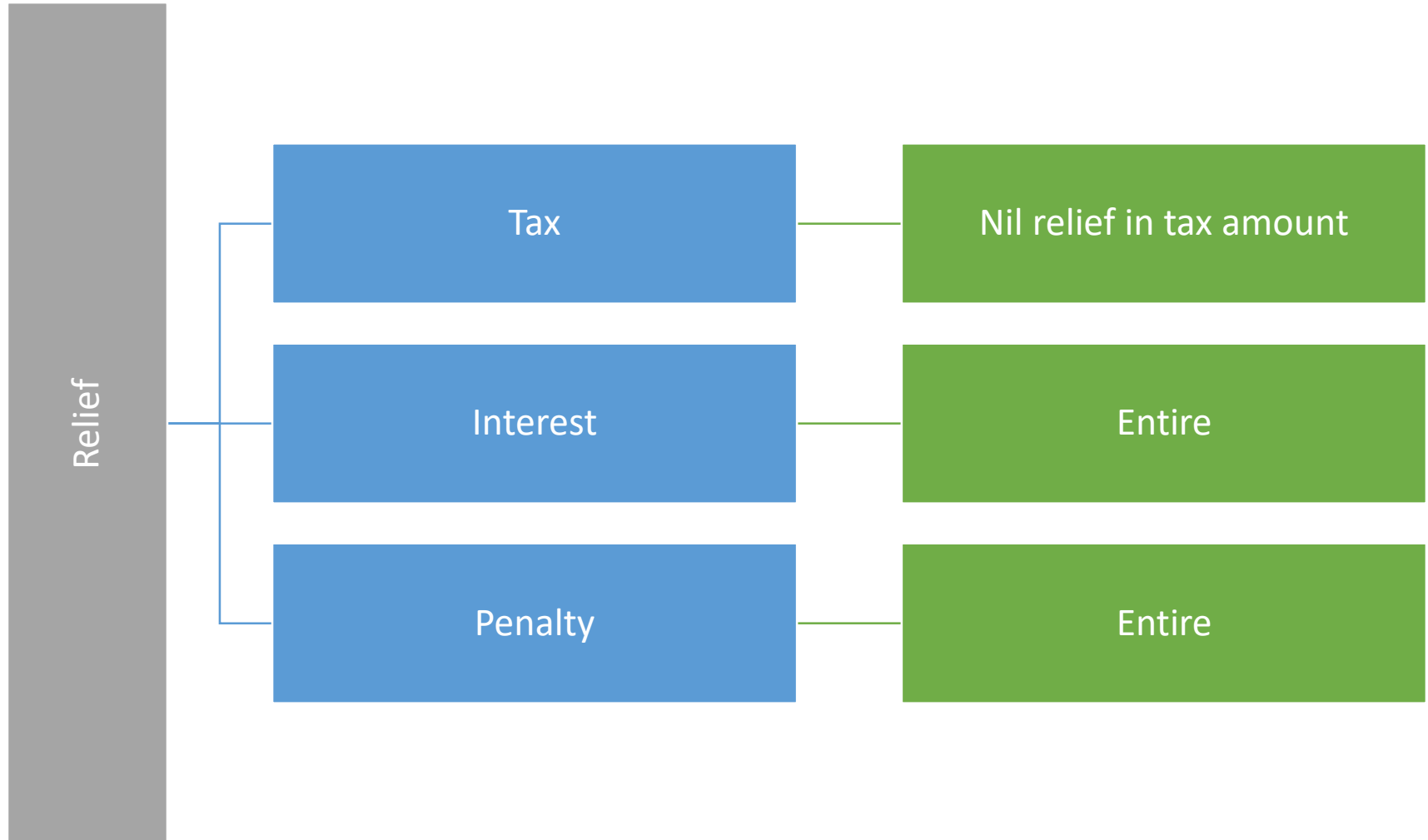
VVS – What relief it provides?



VVS

How much relief it provides?

VVS – Relief?



VVS

Who is eligible?

Who is eligible?

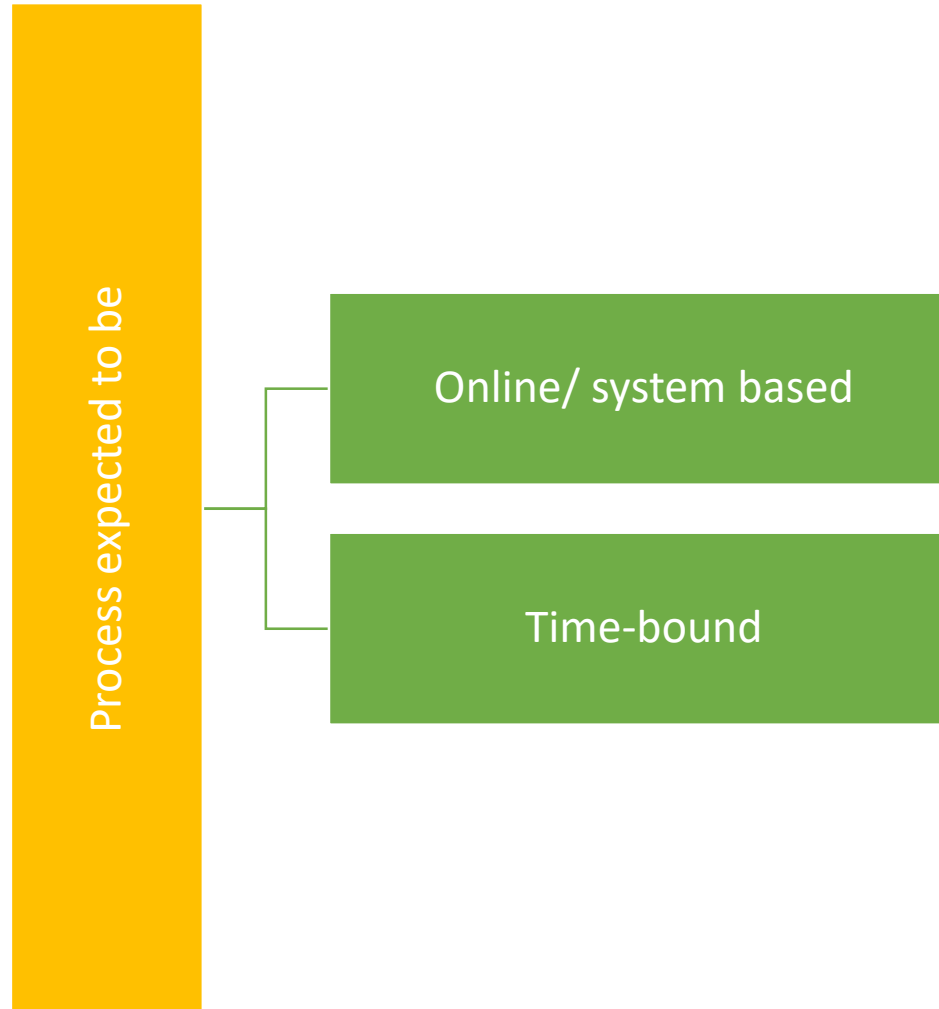
Pending
litigations are
covered

Voluntary
Disclosure?

VVS

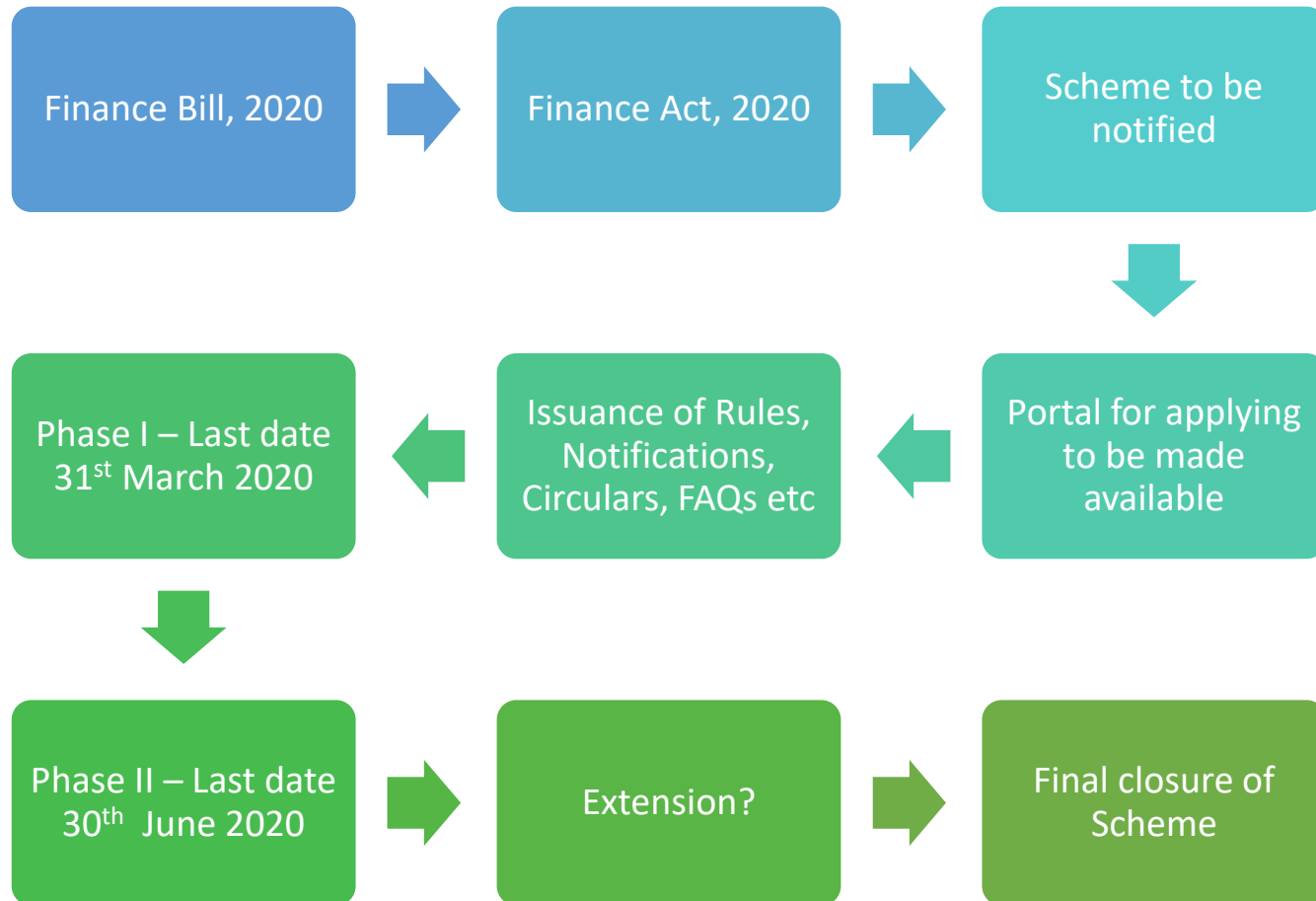
Process?

VVS – Process?



Legislative Lifecycle!

Chronology - Legislative Lifecycle!

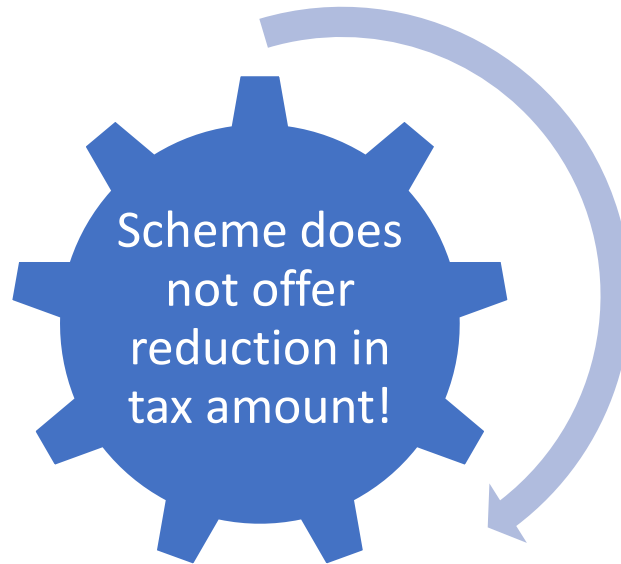


Likely Challenges

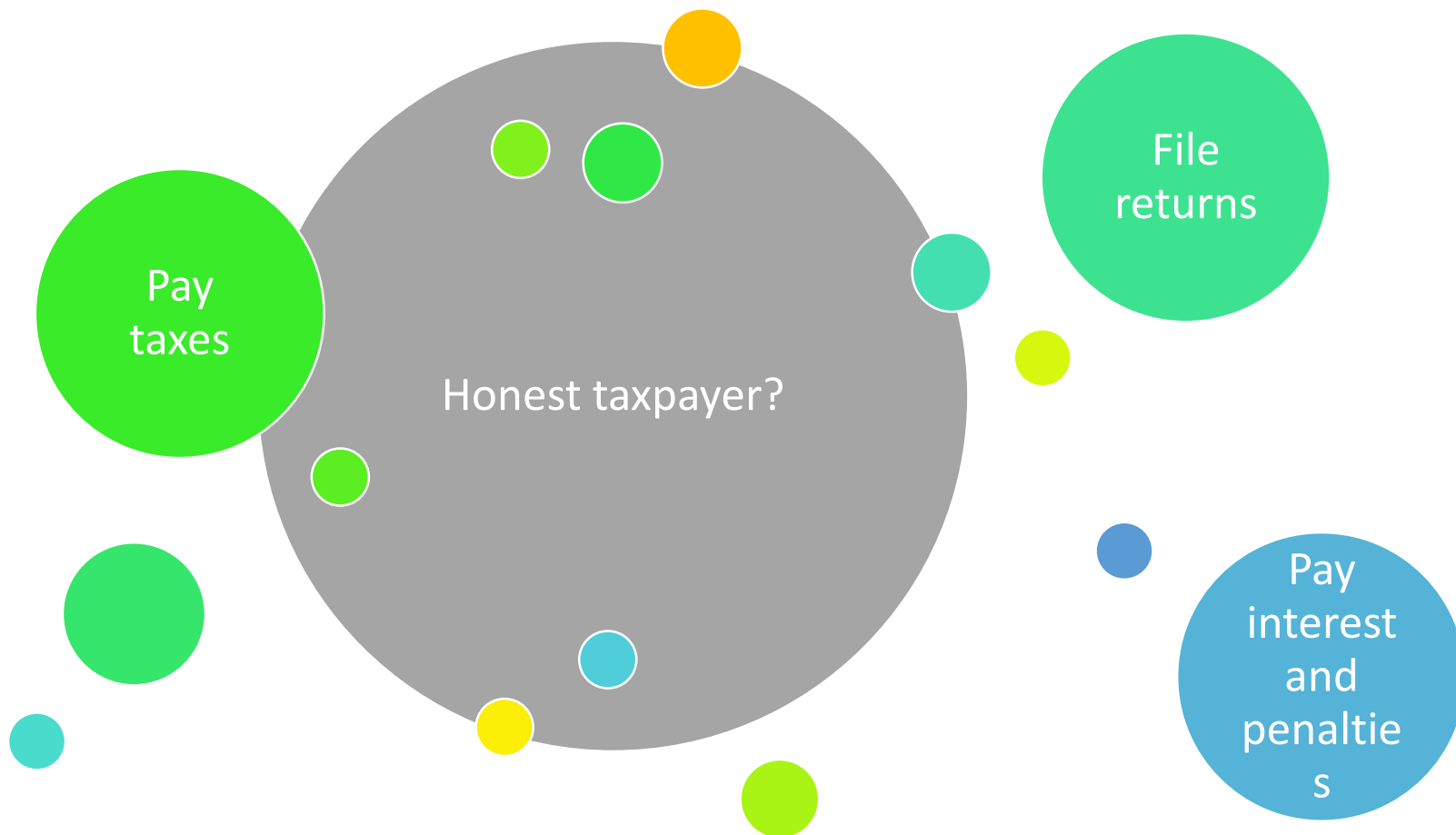
Clock is ticking!



No reduction in tax amount!



Favoring whom?



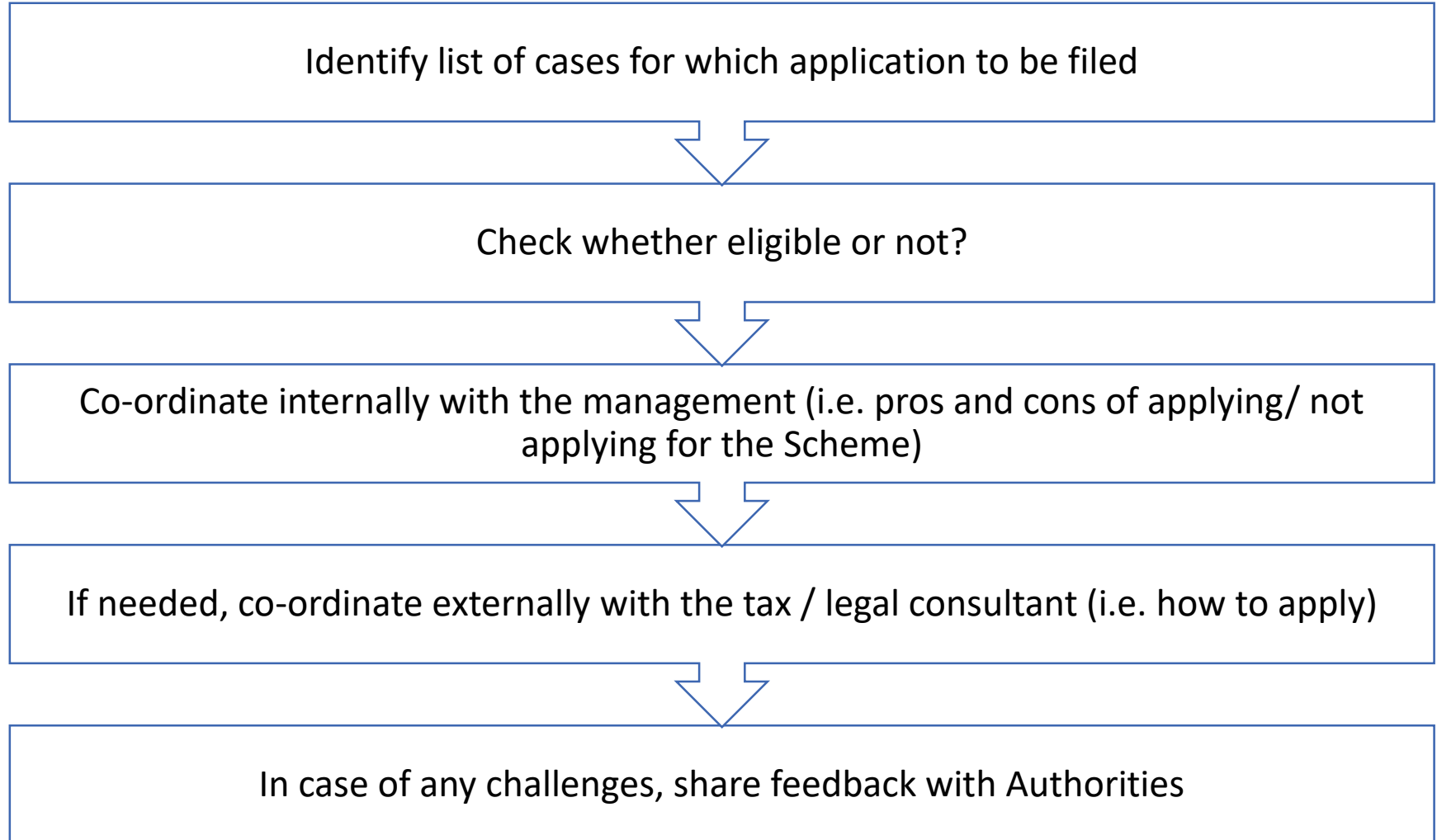
VVS

Must do!

Step Plan – For VVS!



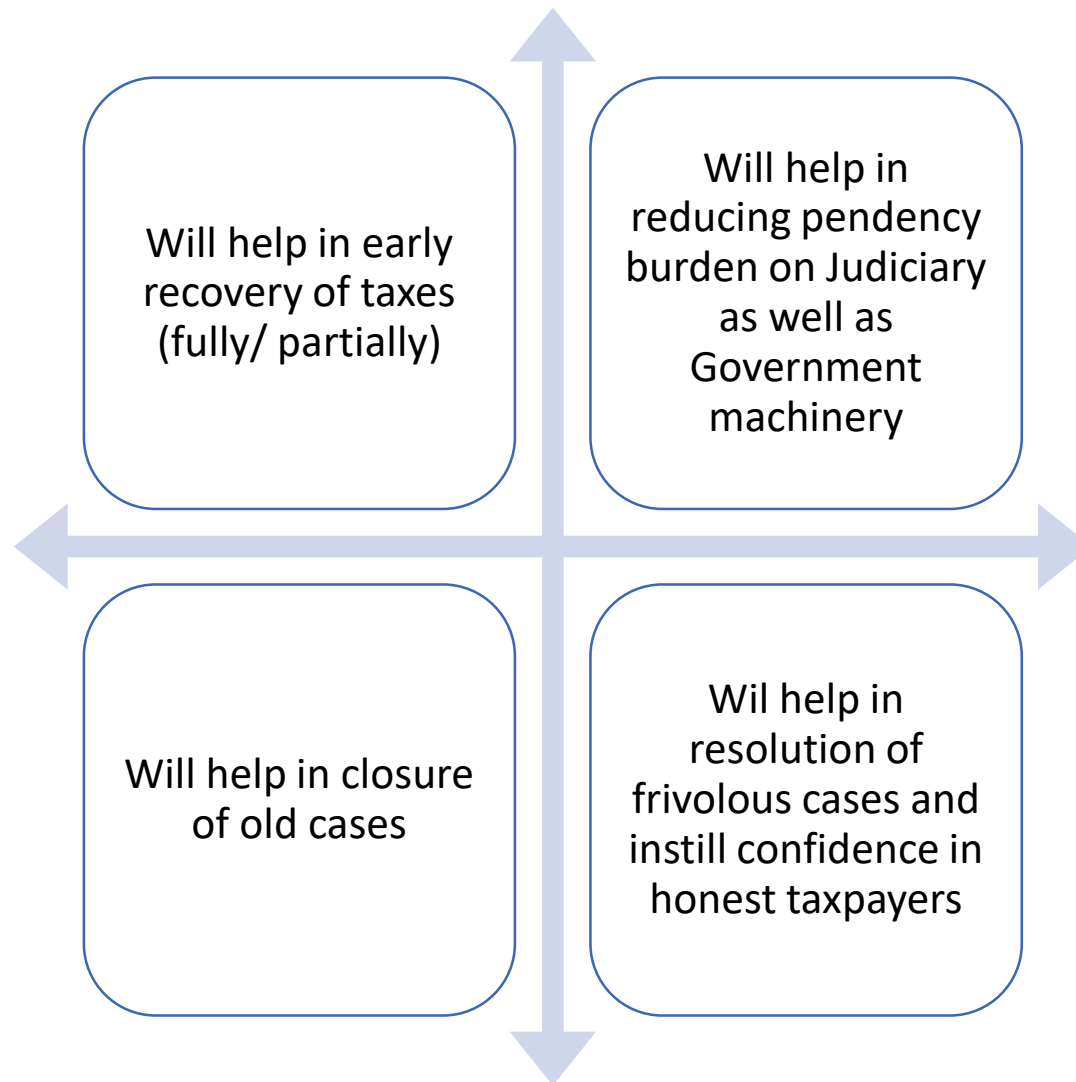
Step Plan – For VVS!



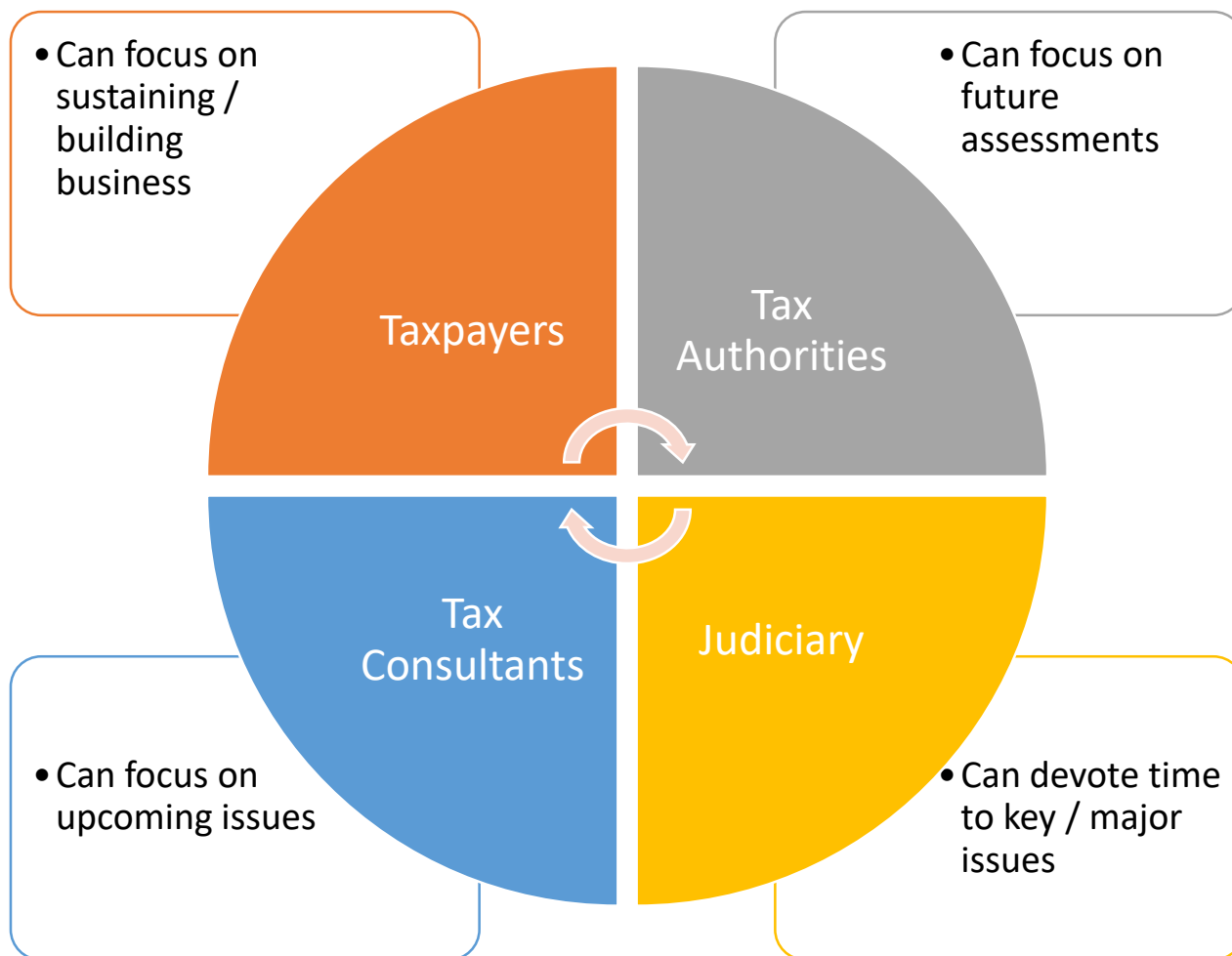
VVS

How it will help!

VVS – How it will help?

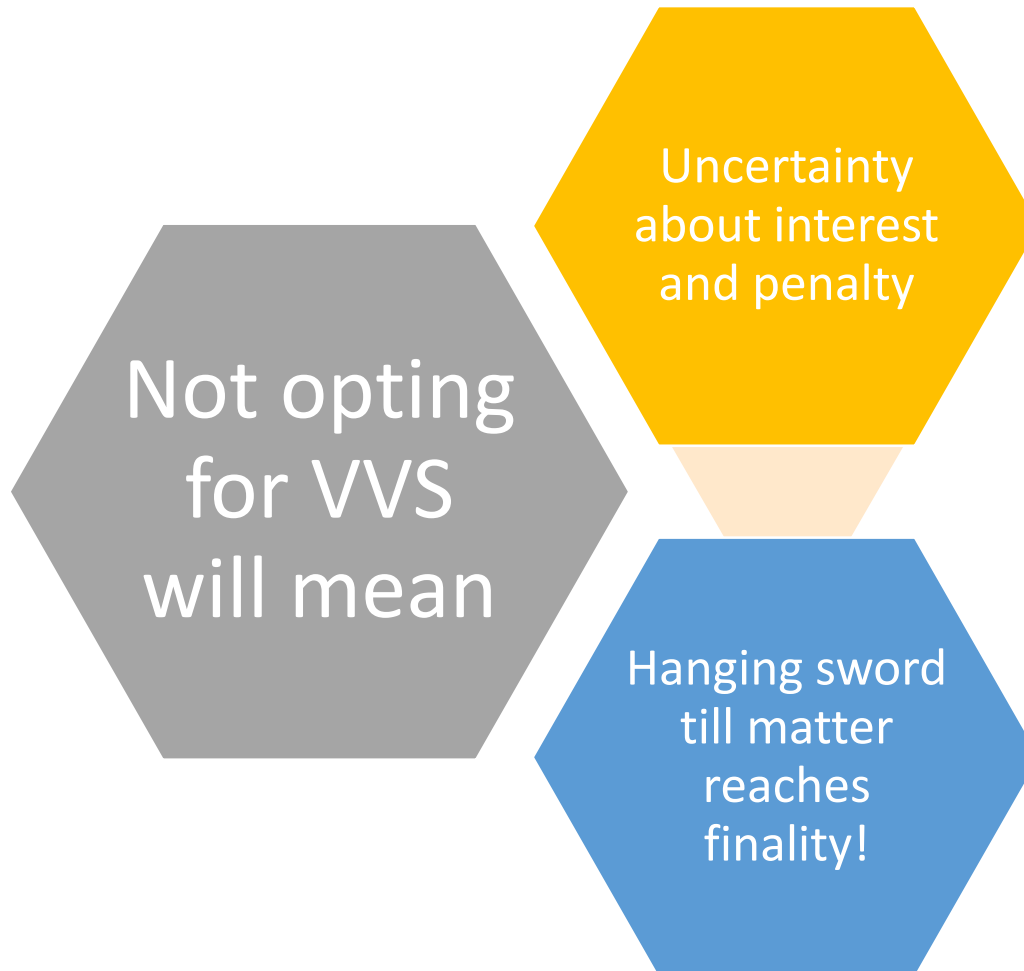


VVS – How it will help?



Why a taxpayer must opt for
VVS?

Why a taxpayer must opt for VVS?



Budget Speech 2020

Relevant extracts

Relevant Extracts - Budget Speech

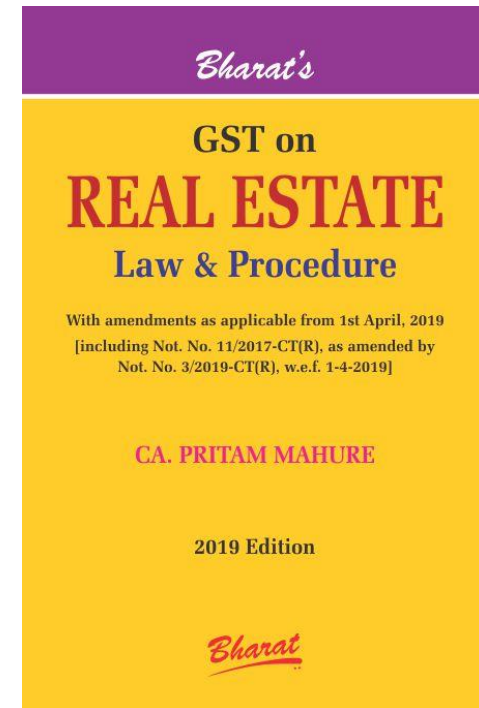
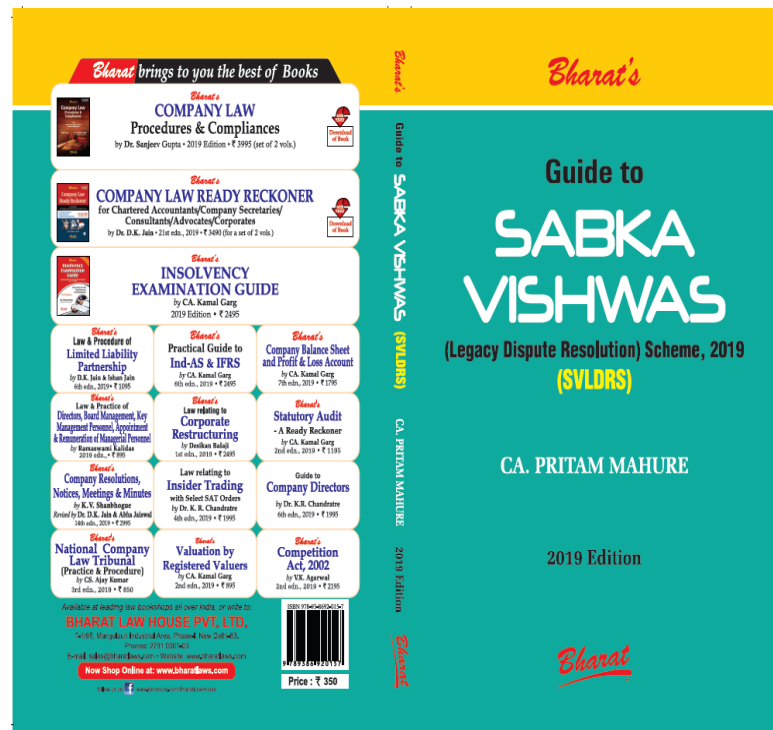
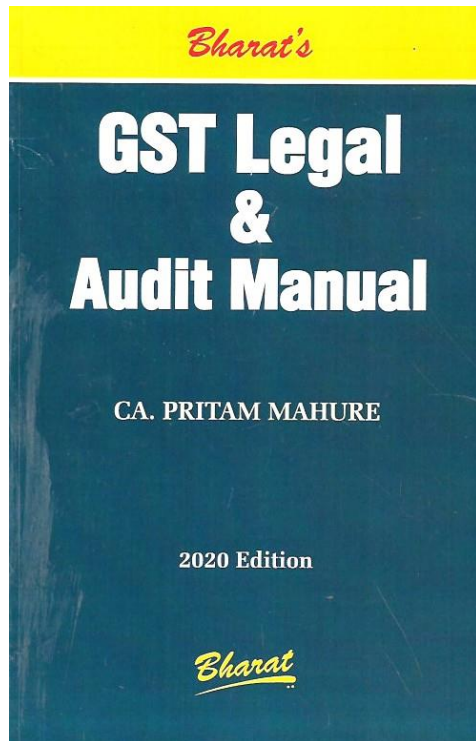
126. No Dispute but Trust Scheme – ‘Vivad Se Vishwas’ Scheme

- *Sir, in the past our Government has taken several measures to reduce tax litigations. In the last budget, Sabka Vishwas Scheme was brought in to reduce litigation in indirect taxes. It resulted in settling over 1,89,000 cases. Currently, there are 4,83,000 direct tax cases pending in various appellate forums i.e. Commissioner (Appeals), ITAT, High Court and Supreme Court. This year, I propose to bring a scheme similar to the indirect tax Sabka Vishwas for reducing litigations even in the direct taxes.*

Relevant Extracts - Budget Speech

- *Under the proposed ‘**Vivad Se Vishwas**’ scheme, a taxpayer would be required to pay only the amount of the disputed taxes and will get complete waiver of interest and penalty provided he pays by 31st March, 2020. Those who avail this scheme after 31st March, 2020 will have to pay some additional amount. The scheme will remain open till 30th June, 2020.*
- *Taxpayers in whose cases appeals are pending at any level can benefit from this scheme.*
- *I hope that taxpayers will make use of this opportunity to get relief from vexatious litigation process.*

Our Books



Thank you!

CA Pritam Mahure and Associates

For feedback / suggestions: info@lawgical.in / 020-27293425

E-books on GST

E-books on How to be Future Proof

Smile please 😊