



GST and Central Excise  
Chennai Outer



Sabka Vishwas

(Legacy  
Dispute Resolution)

Scheme

2019

“ GST has just completed two years. An area that concerns me is that we have huge pending litigations from pre-GST regime. More than Rs.3.75 lakh crore is blocked in litigations in service tax and excise. There is a need to unload this baggage and allow business to move on. I, therefore, propose, a Legacy Dispute Resolution Scheme that will allow quick closure of these litigations. I would urge the trade and business to avail this opportunity and be free from legacy litigations.”



## Introduction

The Sabka Vishwas (Legacy Dispute Resolution) Scheme is a one time measure for liquidation of past disputes of Central Excise and Service Tax as well as to ensure disclosure of unpaid taxes by a person eligible to make a declaration. The Scheme shall be enforced by the Central Government from a date to be notified. It provides that eligible persons shall declare the tax dues and pay the same in accordance with the provisions of the Scheme. It further provides for certain immunities including penalty, interest or any other proceedings under the Central Excise Act, 1944 or Chapter V of the Finance Act, 1994 to those persons who pay the declared tax dues.

## Objectives of the scheme

- ❖ To encourage voluntary disclosure of past disputes of Central Excise, Service Tax and 26 other Indirect Tax Enactments.
- ❖ To facilitate an eligible person to declare the unpaid tax dues and pay the same in accordance with the provisions of this scheme.
- ❖ To provide certain immunities, including Penalty, Interest or any other proceedings including prosecution, to eligible persons who pay the declared tax dues.

## Types of Disputes covered by this Scheme

Tax dues where no appeal filed by the tax payer before expiry of the time period

Any type of tax dispute in any appellate forum which is attaining finality

Admitted tax liability in a return filed on or before 30.06.2019

## Who is not eligible to make a declaration under the scheme?

Who filed appeal before appellate forum and final hearing concluded on or before 30th June 2019

Any one already convicted under Indirect tax enactment for any offence for the matter for which he intends to file a declaration

Who have been issued an SCN and final hearing already taken place on or before 30th June 2019

Who have been issued an SCN for an erroneous refund

Who have been subjected to enquiry or investigation or audit and amount of duty not quantified on or before 30th June 2019

Who have filed an application in the Settlement Commission for settlement of a case

Persons seeking to make a declaration with respect to excisable goods set forth in the Fourth Schedule to the Central Excise Act, 1944

A person making a Voluntary Disclosure after being subjected to enquiry or investigation or audit; or having filed a return, where in he has indicated an amount of duty as payable, but has not paid it

## Relief available under this scheme

Tax Dues	SCN or one or more appeals as on 30th June, 2019	Enquiry or Investigation or Audit quantified as on 30th June, 2019	An amount in arrears	Amount payable as per returns	SCN is for late fee or penalty only and duty is paid or Nil	Voluntary Disclosure
Amount upto Rs. 50 Lakh	70 %	70 %	60 %	60 %	Entire Fee or Penalty	Relief only for Fee or Penalty. No tax relief.
Amount above Rs. 50 Lakh	50 %	50 %	40 %	40 %		

# Tax Dues

In case a single appeal arising out of an order is pending as on 30th June, 2019 before the appellate forum, the total amount of duty which is being disputed in the said appeal.

In case where more than one appeal arising out of an order, one by declarant and other being a departmental appeal, which are pending as on 30th June, 2019 before the appellate forum, the sum of the amount of duty disputed in declarant appeal and in departmental appeal.

Where a show cause notice under any indirect tax enactment has been received by declarant on or before 30th June, 2019 then the amount of duty stated to be payable by declarant in the said notice.

Where any enquiry or investigation or audit is pending against the declarant, the amount of duty payable under any of the indirect tax enactment which has been quantified on or before 30th June, 2019.

Where the amount has been voluntarily disclosed by the declarant, then the total amount of duty stated in the declaration.

Where an amount in arrears relating to declarant is due, the amount in arrears.

# Voluntary disclosure under the scheme

Not eligible for any tax relief, but relief available for interest and penalty

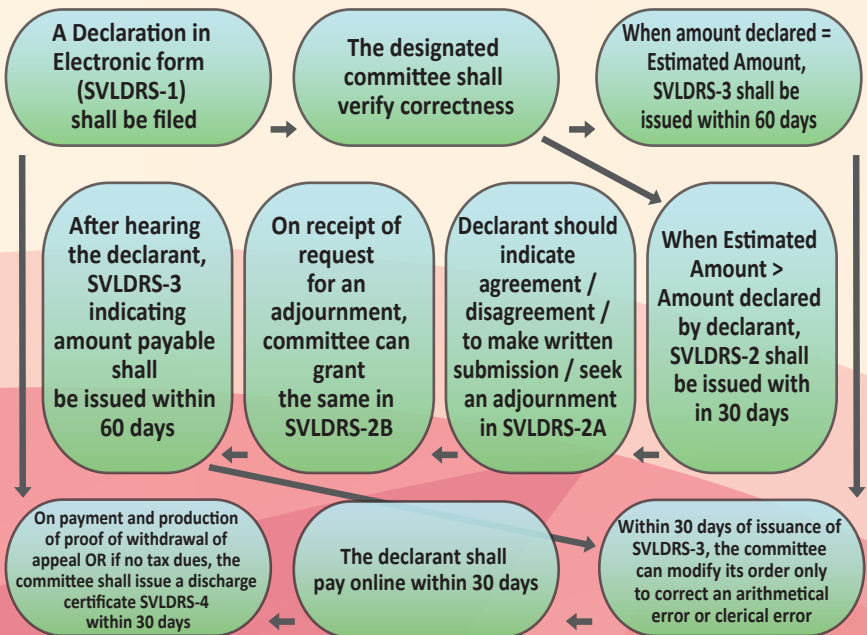
No verification by designated Committee

Within one year, if found to be false, appropriate proceedings shall be initiated

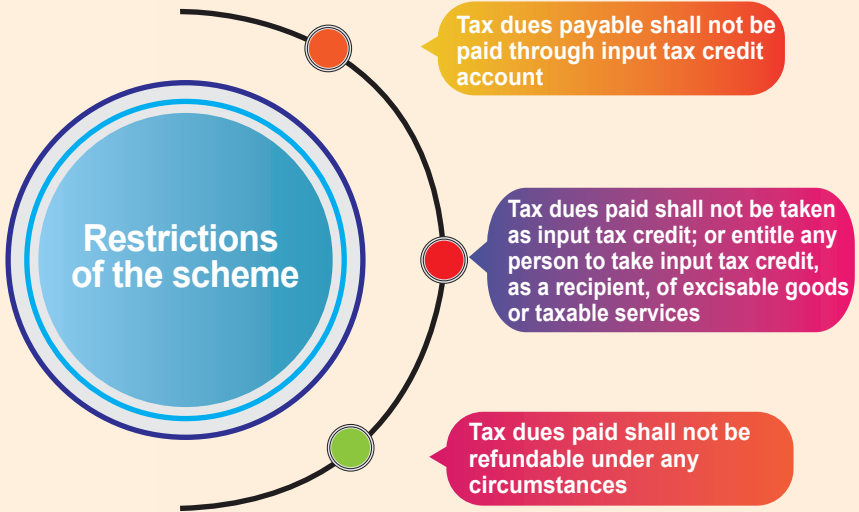
## Remarks

Taxpayer cannot make a voluntary disclosure under this scheme after an enquiry or investigation or audit or for an amount declared as payable in a return filed consequent to such proceedings but not paid.

## Designated Committee and its role



## Restrictions of the Scheme



## Once Discharge Certificate Issued

- ❖ Declarant not liable to pay any further duty, interest or penalty with respect to matter and time period covered.
- ❖ Case shall not be reopened in any other proceeding under Indirect tax enactment.
- ❖ If false declaration is made in voluntary disclosure, proceedings under applicable laws shall be started within a time limit of one year.

If you require further information and assistance on this matter or on any other matter concerning GST, please contact: The Goods and Services Tax (GST) Helpdesk of GST and Central Excise, Chennai Outer located at its Anna Nagar Headquarters office either in person or by calling any of these numbers: 26142850, 26142851, 26142852 and 26142853 or by writing to [Sevakendra-outer-tn@gov.in](mailto:Sevakendra-outer-tn@gov.in)

Issued in Public Interest



Office of the Commissioner of GST and Central Excise, Chennai Outer  
Newry Towers, No.2054-I, 2nd Avenue, 12th Main Road,  
Anna Nagar, Chennai – 600040  
Email: [gst.chennaiouter@gov.in](mailto:gst.chennaiouter@gov.in)  
Follow us [Facebook](https://www.facebook.com/gstchennaiouter) [Twitter](https://twitter.com/gstchennaiouter) [Instagram](https://www.instagram.com/gstchennaiouter)

