



## Faceless Appeals

# TRUST, TRANSPARENCY & TAX

Faceless Appeal Scheme will be implemented  
from 25th September

## TOTAL TRANSPARENCY



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### FEATURES



Appeals to be randomly allotted to any officer in the country



The identity of officers deciding appeal will remain unknown



No need to visit the officer/office

The appellate decision will be Team-Based & reviewed

### EXCEPTIONS

#### CASES RELATING TO:

- Serious frauds, Major Tax Evasion, Sensitive & Search matters
- International tax
- Black Money Act & Benami Property





Widening the Tax Base  
**ENSURING  
BETTER  
COMPLIANCE &  
TRANSPARENCY**

MORE TAX COMPLIANCE,  
MORE PROGRESS



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**Deduction/collection of tax (TDS/TCS) on new transactions:**



TDS on Cash withdrawal above ₹1 crore (20 lakh for Non-filers)

- TCS on motor vehicle above ₹10 Lakh



TCS on Foreign remittance under LRS above ₹7.5 lakh/ overseas tour packages



TDS on e-commerce suppliers & TCS on purchase of goods above ₹50 Lakh

**Expansion of scope of Reporting of transactions (SFT):**



Cash deposit/withdrawal of ₹50 lakh or more in current account



Cash Deposit of ₹10 lakh or more in non-current account



Sale of foreign exchange above ₹10 lakh



The reporting of transactions of mutual funds, credit card transactions, immovable property, etc. rationalised

**Compulsory Filing of return:**



Deposit above Rs. 1 crore in current account, Expenditure of ₹2 lakh on foreign travel & electricity consumption above ₹1 lakh





PM Modi Launches  
**A PLATFORM FOR  
TRANSPARENT  
TAXATION -  
HONORING THE  
HONEST**



FACELESS ASSESSMENTS

FACELESS APPEALS

TAXPAYERS' CHARTER



Any assessment, other than exception,  
outside Faceless Scheme will be invalid



No intrusive and survey actions by field  
officers – Only Investigation wing and  
TDS wing can after approval by officer of  
the level of Chief Commissioner or above



Faceless Assessment  
**A NEW ERA  
OF TRUST,  
TRANSPARENCY  
& TAX**

T FOR TRUST!



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## FEATURES



Selection only through system using data analytics & AI



Abolition of territorial jurisdiction



Automated random allocation of cases



Central issuance of notices with Document Identification No. (DIN)



No physical interface, No need to visit income tax office

Team-based assessments and Team-based review

Draft assessment order in one city, review in another city & finalisation in third city

## EXCEPTIONS

### CASES RELATING TO:

- Serious frauds, Major Tax Evasion, Sensitive & Search matters
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## Taxpayer's Charter

# TRUST, TRANSPARENCY & TAX

1/2

I TRUST MY GOV



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### COMMITMENT TO TAXPAYERS

- To provide **fair, courteous, and reasonable** treatment
- Treat taxpayer as **honest**
- To provide **mechanism for appeal and review**
- To provide **complete and accurate** information
- To provide **timely** decisions
- To collect the **correct** amount of tax
- To respect **privacy** of taxpayers
- To maintain **confidentiality**
- To hold its authorities **accountable**
- To enable **representative of choice**
- To provide **mechanism to lodge complaint**
- To provide a **fair & just** system
- To publish **service standards & report periodically**
- To reduce **cost of compliance**







## Direct Tax Reforms

# REDUCTION IN TAX RATES & SIMPLIFICATION OF DIRECT TAX LAWS

SIMPLE HAI!



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### Corporate Tax: Taxation Laws (Amendment) Act, 2019



Corporates to pay tax at concessional rate of 22%



Corporate tax for new manufacturing companies (set up after Oct. 2019) reduced to 15%

No MAT applicable to such companies

### Personal Income Tax: Finance Act, 2020



Individual taxpayers to pay income-tax at lower slab rates if they do not avail specified exemption & incentive



Co-operatives to pay taxes at concessional rates without claiming any specified deduction or incentive

### Abolition of Dividend Distribution Tax (DDT)



Finance Act, 2020 removed DDT with effect from 01.04.2020. Dividend income to be taxed only in the hands of the recipients



Proposed Measures for  
Widening of Tax Base

# ENSURING BETTER COMPLIANCE & TRANSPARENCY

NO TAXPAYER  
LEFT BEHIND!



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## Expansion of scope of Reporting of Transactions (SFT):



Payment of educational  
fee /donations above  
₹1 lakh p.a.



Electricity  
consumption above  
₹1 lakh p.a.



Domestic business  
class air travel/foreign  
travel



Payment to hotels  
above ₹20,000



Purchase of jewellery,  
white goods, painting,  
marble, etc. above ₹1 lakh



Deposit/credits in  
current account  
above ₹50 lakh



Deposit/credits in  
non-current account  
above ₹25 lakh



Payment of  
property tax above  
₹20,000 p.a.



Life Insurance  
premium above  
₹50,000



Health insurance  
premium above  
₹20,000



Share transactions /  
D-MAT accounts/Bank  
lockers

- Deduction/collection of tax at higher rates for non-filers of return
- Compulsory Filing of return by the person having bank transactions above ₹30 lakh, all professionals, businesses having turnover above ₹50 lakh, payment of rent above ₹40,000





Direct Tax Reforms  
**RELIEF  
MEASURES ON  
ACCOUNT OF  
COVID-19  
PANDEMIC** 1/2

A GOVERNMENT  
WHICH CARES



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The Taxation and Other Laws  
(Relaxation of Certain Provisions)  
Ordinance, 2020 promulgated &  
subsequent notification issued on 24th  
June, 2020



Various time limits for compliances  
& statutory actions extended



Interest for delay in payment of IT  
be charged at a reduced rate of 9%  
per annum. No penalty/  
prosecution to be initiated for  
non-payments



Donation made to PM CARES Fund  
to be eligible for 100% deduction  
u/s 80G of the Act



The date for linking of Aadhaar  
with PAN extended to 31st March,  
2021





Taxpayer's Charter  
**TRUST,  
TRANSPARENCY  
& TAX**

2/2

I AM A GOOD CITIZEN



#HonoringTheHonest

YOUR OBLIGATIONS AS A TAXPAYER



BE HONEST & COMPLIANT



BE INFORMED



KEEP ACCURATE RECORDS



KNOW WHAT YOUR REPRESENTATIVE  
DOES ON YOUR BEHALF



RESPOND IN TIME



PAY IN TIME



## Direct Tax Reforms **EASE OF COMPLIANCE FOR TAXPAYERS**

TAXES WERE NEVER  
So EASY!



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### Faceless E-assessment Scheme



#### The E-assessment Scheme, 2019 eliminates

- Interface between the Assessing Officer and the assessee
- Optimising use of resources through functional specialisation
- Introducing the team-based assessment

### Document Identification Number (DIN)



- Every communication of the department issued from 1st Oct, 2019 mandatory to have computer-generated unique DIN

### Pre-Filing of Income-Tax Returns



- ITR form now contains pre-filled details of certain incomes

### Simplification of compliance norms for Start-ups



- Hassle-free assessment procedure, exemptions from Angel-tax, constitution of dedicated start-up cell

### Simplification of compliance norms for Start-ups



- Threshold for launching prosecution increased
- System of collegium of senior officers for sanction of prosecution introduced
- Norm for compounding relaxed





Direct Tax Reforms

## REDUCTION IN LITIGATION

NO WORRIES,  
THIS IS MY GOVT!



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### Direct Tax Vivad se Vishwas Act, 2020



Enacted on 17th March, 2020, it established a resolution process by which tax disputes can be settled in speedy manner

### Raising of monetary limit for filing of departmental appeal raised from



₹20 lakh to ₹50 lakh before ITAT



₹50 lakh to ₹1 crore before High Court



₹1 crore to ₹2 crore before the Supreme Court



Direct Tax Reforms  
**RELIEF  
MEASURES ON  
ACCOUNT OF  
COVID-19  
PANDEMIC** 2/2

COVID RELIEF,  
SAHI HAI!



Determination of residency of an individual on a visit to India (whose stay was prolonged), the period so prolonged not to be taken into account



Payment under the Direct Tax Vivad se Vishwas Act, 2020 extended to 31st December, 2020



Filing of original & revised income-tax returns for FY 2018-19 extended to 31st July, 2020



Due date for IT returns for FY 2019-20 extended (for individuals & companies etc.) to 30th November, 2020





Direct Tax Reforms  
**MEASURES  
UNDERTAKEN  
TO CURB TAX  
EVASION &  
WIDENING OF  
TAX BASE**

**Nobody ESCAPES!**



The Black Money Act (2015) to curb black money stashed abroad



Benami Law (2016) to enable confiscation of Benami property & prosecution of benamidar



Expansion of Scope of TDS/TCS



Encouraging digital transactions



Equalisation Levy of 2% extended under The Finance Act 2020



Form 26AS amended to provide information electronically to the taxpayers