

Revenue presentation

Refund of taxes

Taxes	2018-19		2019-20 (till date)	
	Nos (lac)	Amount (Cr)	Nos (lac)	Amount (Cr)
IGST refund	16.3	56057	9.64	38988
ITC refund	-	36513	-	33395

Taxes	2018-19		2019-20 (till 11.12.2019)	
	Nos	Amount	Nos	amount
Income Tax	1.84 crore	1.23 lakh Cr	2.16 crore	1.57 lakh Cr
% increase over 2018-19			17%	27.2%

New Refund System (GST)

- Completed Automated Refund Process implemented from 26.09.2019:
 - Online filing of refund application (including uploading of supporting documents)
 - Online processing, sanction and disbursement in the Bank account
- Single Source Disbursement of Refund:
 - The complete refund amount under the head of IGST, CGST, SGST and Cess to be disbursed by Centre

Recent initiatives on simplification of GST

- Introduction of e- invoicing
- From **1.01.2020**, it will be **optional** for all taxpayers with turnover more than Rs. 500 Crores will have to generate E-Invoice for all the B2B transactions.
- From **1.04.2020**, it will be **compulsory** for all taxpayers with turnover more than Rs. 100 Crores will have to generate E-Invoice for all the B2B transactions.
- Once E-Invoice is generated all future returns for the taxpayer will be automatically populated.
- In future, E-Way Bill will not be needed for E-Invoices

Compliance Simplification and feedback

- For FY 2017-18 and 2018-19, Annual Return and Reconciliation Statement has been made optional for taxpayers less than Rs. 2 Crore
- For FY 2017-18 and 2018-19, many of the prominent fields have made optional for taxpayers in Annual Return and Reconciliation statement
- A **“Stakeholder Feedback Diwas”** drive was organized on 07.12.2019 in around 193 cities where 19645 stakeholders participated.

- **Document Identification Number (DIN)**: From 08.11.2019, DIN has been made mandatory for following activities:
 - all search authorisations, summons, arrest memo,
 - inspection notices and letters issued by tax authorities

- **Refund Drive:**

To clear pending refund of MSME a drive was under taken in the month of September- 2019 in which following amounts were sanctioned

Amount pending before drive	Amount sanctioned in the drive
10841 Cr in 74905 cases	9561 Cr in 66150 cases

Sabka Viswas- legacy dispute resolution scheme: till 31.12.2019

Status of the dispute	Benefits
❖ Cases pending in adjudication or appeal	<ul style="list-style-type: none"> • Relief of 70% duty demand: if amount RS. 50 lakhs or less • Relief of 50% duty demand: if amount more than RS. 50 lakhs
❖ Cases of confirmed demand, where no appeal is pending	<ul style="list-style-type: none"> • Relief of 60% of confirmed duty : if amount Rs. 50 lakhs or less • Relief of 40% of confirmed duty : if amount more than RS. 50 lakhs
❖ In case of voluntary disclosure	Assesse has to pay full disclosed amount only

No of application	Amount involved in Cr
52037	27911

Major initiatives in the Direct Taxes

Legislative measures Post-budget

- **Reduction in CT rate for all existing companies:** An existing domestic company can opt to pay tax at 22% (i.e. effective tax rate of 25.17%) as against the existing highest effective CT rate of 34.94 if it does not claim any tax exemption/ deduction-No MAT for these companies.
- **Reduction in CT rate for new manufacturing companies:** A new domestic manufacturing company can pay tax at 15% (i.e. effective tax rate of 17.16%) if it does not claim any tax exemption/ deduction- No MAT for these companies.
- **Reduction in rate of Minimum Alternate Tax (MAT):** The rate of MAT for the other companies has also been reduced from 18.5% to 15%.
- **Grand-fathering of Buy-back provisions:** The buy-back announced on or before 5th July, 2019 were exempted from the Buy-back tax.
- **Relief from enhanced surcharge in certain cases:** The enhanced surcharge was removed for capital gains on transfer of listed equity share/certain units and also for capital gains income of FPIs from securities trading.
- **Enhanced depreciation for Auto sector:** The rates of depreciation was increased by 15% for new motor vehicles.

Ease of compliance

- **Faceless assessment:** In order to reduce the interface between the taxpayer and tax officers, faceless assessment has been launched on 7th October, 2019-Total number of cases to be assessed under the scheme is 58,322 - Questionnaire in the faceless manner has already been issued in 19883 cases.
- **Document Identification Number (DIN):** From 01.10.2019, it has been made mandatory for all notices/summons/orders etc. issued by the income-tax authorities shall have DIN - 6.42 crore communications with DIN has already been issued by the Department.[DIN Notice.pdf](#)
- **Simplification of compliance norms for Start-ups:** start-ups have been provided hassle-free tax environment which includes simplification of assessment procedure, exemptions from Angel-tax, constitution of dedicated start-up cell.
- **Reduction in Litigation:** The monetary limit for filing of departmental limit has been enhanced by 100-150 %-more than 13,000 appeals have been withdrawn by the Department after the enhancement.
- **Prefilling of ITRs:** Pre-filled returns provided to more than 2 crore salaried taxpayers for AY 2019-20.
- **Speedy Issuance of Refunds:** There is significant growth in the issuance of refund by the Department-the amount of refund has increased by 27.2% and the number of refunds has increased by 17%. The total amount of refund issued in this Financial year till 11.12.2019 is Rs. 1.57 lakh crores as against Rs. 1.23 lakh crore in the corresponding period of FY 2018-19.
- **Relaxation in the norms for Prosecution:** In order to provide relief to taxpayers for small violations, it has been provided that the sanctioning authority of prosecution has to take approval of a collegium of two CCIT/DGIT rank officers for launching of prosecution in most of the cases except where the default exceeds Rs. 25 Lakhs in case of non-payment of TDS, wilful evasion of tax or failure to file return.