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THE DIRECT TAX VIVAD SE VISHWAS ACT, 2020 (RESOLUTION OF DISPUTED TAX MATTERS)

IMPORTANT DEFINITIONS

1. **APPELLANT-** A person in whose case –
- Appeal/ Petition /SLP filed by HIM or I.T AUTHORITY & PENDING ON 31.01.2020.
- Order passed by AO/CIT(A)/ITAT/HC before 31.01.2020 (Time for filing appeal not expired).
- Filed objection before DRP U/S 144C & no direction issued.
- DRP issued direction & A.O. not passed order.
- Filed application for Revision u/s 264 & pending.

2. **APPELLANT FORUM-** SC/HC/ITAT/CIT(A)
3. **DISPUTED TAX-** INCOME TAX (INCL. SUR & CESS)
4. **TAX ARREARS-** DISPUTED TAX + INTT + PENALTY

ACT NOT TO APPLY

1. If assessment made u/s 143(3)/144/153A/153C on the basis of search initiated u/s 132/132A of I.T Act (AMOUNT OF DISPUTED TAX>5 CRORES)
2. PROSECUTION INSTITUTED BEFORE DATE OF FILING DECLARATION.
3. UNDISCLOSED INCOME FROM SOURCE LOCATED OUTSIDE INDIA.
4. INFORMATION RECEIVED U/S 90/90A OF I.T. ACT (RELATED TO TAX ARREAR)
5. ORDER OF DETENTION MADE UNDER CONSERVATION OF FOREIGN EXCHANGE AND PREVENTION OF SMUGGLINGACTIVITIES ACT,1974 (ORDER NOT REVOKED BEFORE THE ORDER)

TIME OF PAYMENT AND CLARIFICATION REGARDING REFUND

- Designated Authority within 15 days from date of receipt of declaration determine amount payable.
- No matter shall be reopened in any other proceedings under any law.
- **Amount paid** in relation to declaration shall not be refundable. **However, any amount paid before filing declaration under Income Tax Act,1961 which exceeds amount payable under this act, balance shall be refunded (No interest u/s 244A of Income Tax Act,1961.**

AMOUNT PAYABLE BY DECLARANT UNDER THIS ACT

TAX ARREAR RELATING TO	AMT PAYABLE BEFORE 30.06.2020	AMT PAYABLE AFTER 30.06.2020
DISPUTED TAX +INTT+PENALTY	AMT OF DISPUTED TAX	110% OF DISPUTED TAX (IF 10% OF DISPUTED TAX>INTT+PENALTY(EXCESS IGNORED)
TAX/INTT/PENALTY DETERMINED IN ANY ASST ON BASIS OF SEARCH U/S 132/132A	125% OF DISPUTED TAX (IF 25% OF DISPUTED TAX>INTT+PENALTY(EXCESS IGNORED)	135% OF DISPUTED TAX (IF 35% OF DISPUTED TAX>INTT+PENALTY(EXCESS IGNORED)
DISPUTED INTT/PENALTY/FEE	25% OF INTT/PENALTY/FEE	30% OF INTT/PENALTY/FEE

THE DIRECT TAX VIVAD SE VISHWAS RULES,2020

1. Declaration shall be made in FORM-1 and undertaking shall be made in FORM-2 (Signed by declarant)
2. Designated Authority shall grant certificate in FORM-3 (Regarding amount payable)
3. Details of payment shall be made in FORM-4 (Regarding amount paid)
4. Order stating the amount paid by declarant in FORM-5

NOTE- **In following cases, AMT PAYABLE = 1/2 OF AMT ABOVE**
- Appeal/Petition/SLP filed by I.T.Auth.
- If Appeal filed before CIT(A)/DRP/ITAT by appellant on any issue on which he already got decision in favour from ITAT/HC (Decision not reversed)
- On filing declaration, any appeal pending before ITAT/CIT(A) deemed to be withdrawn.

MANNER OF COMPUTING DISPUTED TAX –WHERE MAT CREDIT IS REDUCED

There are 2 options-
1. Include the amount by which MAT credit to be c/f is reduced in disputed tax and c/f the whole of MAT credit.
2. C/F the reduced MAT credit.

MANNER OF COMPUTING DISPUTED TAX – WHERE LOSS/ UNABSORBED DEPRICIATION IS REDUCED

There are 2 options-
1. Include tax (incl. Surch and cess) payable on amount by which loss/ unabsorbed depreciation reduced in disputed tax and c/f whole unabsorbed depreciation. OR
2. C/F reduced amount of unabsorbed depreciation.

"IF OPTION (2) EXERCISED, THEN WDV OF THE BLOCK OF THAT ASSET SHALL NOT BE INCREASED BY AMOUNT OF REDUCTION IN UNABSORBED DEPRICIATION".