



सत्यमेव जयते

Ram Tirath

Special Secretary & Member

भारत सरकार
GOVERNMENT OF INDIA
वित्त मंत्रालय/राजस्व विभाग
MINISTRY OF FINANCE / DEPARTMENT OF REVENUE
केन्द्रीय उत्पाद एवं सीमा शुल्क बोर्ड
CENTRAL BOARD OF EXCISE & CUSTOMS
नार्थ ब्लॉक, नई दिल्ली-११० ००१
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D.O. No. 334/12/2016 - TRU
New Delhi, the 10th October, 2016

Dear Chief Commissioner,

The Budget for 2017-18 will be presented in early 2017. Every year, as part of the Annual Budget exercise, TRU invites views and suggestions in respect of indirect taxes from field offices, which serve as valuable inputs for formulating proposals in the Budget.

2. In the recent Budgets, efforts have been made to rationalize the tax structure, widen the tax base and to simplify laws and procedures keeping in view 'the ease of doing business' so as to create an enabling environment for taxpayers leading to reduced compliance costs with minimum scope for disputes and litigation. Suggestions in respect of Customs/ Excise duties as well as Service Tax should be given in line with this policy direction. The issues relating to overlapping or redundant or ambiguous entries in notifications, if any, which have resulted in litigation/ audit objections may also be forwarded.

3. On the customs and excise side, suggestions could cover changes in duty rates / rationalization of duty rates for specific commodities, withdrawal of exemptions or changes in the text of any exemption so as to reduce/avoid disputes relating to interpretation or impart clarity in the scope or coverage of such exemptions. In some cases, the conditions attached to an exemption may have outlived their utility and may need review. To enable serious consideration of the proposals & suggestions the proposal must be accompanied with all relevant information such as the volume and value of import/ domestic production, landed cost/ assessable value, the

incidence of duties, price data, revenue implication of the proposed change and other relevant details.

3.1 There may be cases where an exemption has been in force for a number of years and which has outlived its utility or are linked to end use conditions which are difficult to administer/monitor. Such cases may also be identified and forwarded to the Board along with your suggestions. Your suggestions in this regard would be most helpful. Suggestions relating to MRP based assessment, CENVAT credit scheme and other procedural changes may also be sent. In particular, the abatement rates (MRP based levy) for different commodities may be looked at carefully and your suggestions on increase/decrease in abatement duly substantiated by complete data, consistent with Section 4A of the Central Excise Act, may also be provided [such as MRP, sales tax/VAT rate, rates of other taxes, etc.]. You may also make sector specific suggestions for augmentation of revenue in respect of evasion prone commodities and/or where the cash [PLA] : CENVAT credit ratio is very high.

4. In respect of Service Tax, suggestions may be made about difficulties faced in implementation of Negative List of Services. You may also like to make suggestions that facilitate movement towards GST and for amendment of rules and procedures which could result in further procedural simplification. Any instances of difficulties in assessment due to any procedural reason or otherwise may also be brought to the notice of the Board. The adverse impact on revenue of any judicial verdict may also be highlighted.

5. All such suggestions should be sent to me not later than 24th October, 2016. The suggestions in respect of changes in legal provisions and procedural matters (i.e. not involving changes in rates of duty/service tax or the tariff descriptions) may be directly sent to concerned CBEC sections, as under:

- (i) Shri M.K. Sinha, Commissioner [CX], CBEC for Central Excise issues;
- (ii) Shri S. M. Tata, Commissioner [ST], CBEC for Service Tax matters;
- (iii) Shri L Satya Srinivas, Joint Secretary [Customs], CBEC for customs related issues,
- (iv) Sh. Sandeep Kumar, Commissioner [Customs] for Valuation , International Treaties and Land Customs related issues;

- (v) Ms. Ranjana Jha, Joint Secretary (Review); and
(vi) Ms. Charul Baranwal, Commissioner (Legal) for Legal issues.

Suggestions involving changes in rates of duty/service tax, duty/tax exemptions, tariff descriptions, revenue augmentation measures etc. should be addressed to me.

6. A copy of the letters sent to other sections of the Board may be marked to Joint Secretary, TRU-I. A soft copy of all your proposals may be emailed to the Budget Officer (TRU) at abhishek.verma@icegate.gov.in

With regards,

Yours sincerely,

Sd/-

(Ram Tirath)

Principal Chief Commissioners/Chief Commissioners of Central Excise (All)
Principal Chief Commissioners/Chief Commissioner of Customs (All)
Principal Chief Commissioners/Chief Commissioners of Customs, Central Excise & Service Tax
Large Tax Payer Units (All)

Copy to:

1. Director General, Directorate General of Goods and Service Tax.
2. Director General, Directorate General of Revenue Intelligence.
3. Director General, Directorate General of Central Excise Intelligence.
4. Director General, Directorate General of Audit.
5. Director General, Directorate General of Performance Management (Customs, Central Excise and Service Tax).
6. Director General, Directorate General of Export Promotion.

Their views/advice on any of the above issues would be welcomed by the Board.


(Ram Tirath)