

Govt extends deadline to make payment under Vivad Se Vishwas scheme till March 31

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The Finance Ministry on Tuesday extended the date of making payment without additional amount under 'Vivad se Vishwas' scheme by three months to March 31, 2021. The last date for the declaration to use the scheme has been notified as December 31, 2020.

As announced in the budget this fiscal, the scheme aims to provide a mechanism for the resolution of pending Income Tax disputes. As on November 30, 2019, about 4.83 lakh appeals pending at various levels involving tax arrears to the tune of about ₹9.32-lakh crore. The Centre hopes the new scheme will bring down the number of pending cases and result in some portion of the locked revenue being realised.

To provide more time to taxpayers to settle disputes, earlier the date for filing the declaration and making payment without additional amount under Vivad se Vishwas was extended from March 31 June 30 which was extended further to December 31 Therefore, earlier both the declaration and the payment without additional amount under the Vivad se Vishwas were required to be made by December 31.

Now, as per notification dated October 27, the declaration under the Vivad se Vishwas Scheme shall be required to be furnished latest by December 31, however, only in respect of said declarations made till date, the payment without additional amount can now be made up to March 31, 2021.

Meanwhile, Finance Secretary Ajay Bhushan Pandey has reviewed the progress made so far by the Income Tax Department on the scheme. "We need to advance the Vivad se Vishwas Scheme with greater persuasion and perseverance and must reach out to the taxpayers to facilitate all necessary handholding," he said after the meeting with senior tax officials on Tuesday.

In the meeting, the CBDT Chairman, P C Mody emphasised on Pr. Chief Commissioners to carry out all possible actions such as disposing of pending rectifications, giving pending appeal effects, removing duplicate demands, etc. so as to arrive at a final demand for each assessee so that whenever a taxpayer files Form 1 or 2 under the Vivad se Vishwas Scheme, the Pr. Commissioner concerned is in a position to issue Form 3 promptly.

Also, it was decided in the meeting to adopt a proactive approach for implementation of the Scheme by approaching taxpayers directly, guiding and facilitating them in the filing of declarations and removing any difficulties or problems faced by them in availing the Scheme. It was further decided to have a periodic review of the progress of the Scheme every fortnight.