

## **CBDT issues FAQs on Direct Tax Vivad se Vishwas Scheme, 2020**

The 'Vivad se Vishwas' Scheme was announced during the Union Budget, 2020, to provide for dispute resolution in respect of pending income tax litigation. Pursuant to the Budget announcement, the Direct Tax Vivad se Vishwas Bill, 2020 (hereinafter called Vivad se Vishwas) was introduced in the Lok Sabha on 5th of February, 2020 and passed by it on 4th of March, 2020.

The objective of Vivad se Vishwas is to inter alia reduce pending income tax litigation, generate timely revenue for the Government and benefit taxpayers by providing them peace of mind, certainty and savings on account of time and resources that would otherwise be spent on the long-drawn and vexatious litigation process.

Subsequently, based on the representations received from the stakeholders regarding its various provisions, official amendments to Vivad se Vishwas have been proposed. These amendments seek to widen the scope of Vivad se Vishwas and reduce the compliance burden on taxpayers.

After introduction of Vivad se Vishwas in Lok Sabha, several queries have been received from the stakeholders seeking clarifications in respect of various provisions contained in the Scheme. After considering various queries received from stakeholders, CBDT has clarified the same in the form of answers to frequently asked questions (FAQs) vide Circular No.7/2020 dated 04.03.2020.

The FAQs contain clarifications on scope/eligibility, calculation of disputed tax, procedure related to payment of disputed tax and consequential benefits to the declarant. These FAQs are available on the appended link for your kind reference :

[https://www.incometaxindia.gov.in/communications/circular/circular\\_no\\_7\\_2020.pdf](https://www.incometaxindia.gov.in/communications/circular/circular_no_7_2020.pdf)

Please contact for any query related to this mail to Ms Shikha Bhatt, Executive Officer, at [shikha.bhatt@phdcci.in](mailto:shikha.bhatt@phdcci.in) with a cc to Dr S P Sharma, Chief Economist at [spsharma@phdcci.in](mailto:spsharma@phdcci.in) and Ms Surbhi Sharma, Associate Economist at [surbhi@phdcci.in](mailto:surbhi@phdcci.in), PHD Chamber of Commerce & Industry.

Warm Regards,

Dr S P Sharma

Chief Economist

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area

August Kranti Marg, New Delhi-110016, India

Tel: +91 49545454

Fax: +91 11 26855450

Email: [spsharma@phdcci.in](mailto:spsharma@phdcci.in)

Website: [www.phdcci.in](http://www.phdcci.in)

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PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400  
Fax : +91-11-2685 5450, 49545451 • E-mail : phdcci@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

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