

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**REVENUE SECRETARY ASSURES TRADE AND INDUSTRY ASSOCIATIONS THAT
THEIR CONCERNS WITH REGARD TO SERVICE TAX VOLUNTARY COMPLIANCE
ENCOURAGEMENT SCHEME 2013 WILL BE DULY ADDRESSED AND NECESSARY
CLARIFICATIONS WILL BE ISSUED; URGES DEFAULTERS TO DISCLOSE THEIR
TAX LIABILITIES AND FILE THEIR SERVICE TAX RETURNS WITHOUT DELAY**

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The Revenue Secretary, Shri Sumit Bose said that the concerns of the industry relating to Service Tax Voluntary Compliance Encouragement Scheme (VCES) 2013 will be duly addressed and the necessary clarification(s) wherever required, will be issued at the earliest. Shri Bose was addressing the representatives of CII, FICCI, PHD Chambers of Commerce, Associated Chambers of Commerce (ASSOCHAM) and Institute of Chartered Accountants of India (ICAI) here today. A meeting was held with the representatives of the aforesaid organizations by the Revenue Department in order to discuss and know the concerns/doubts of the industry and trade sector with regard to VCES-2013. The meeting was also attended among others by Ms. Praveen Mahajan, Chairperson, Central Board of Excise and Customs (CBEC), Member (Budget), Member (Legal & Judicial) CBEC and other senior officials of the Department of Revenue, Ministry of Finance, Government of India and the representatives of the trade and industry associations.

Revenue Secretary Shri Bose further said that service sector contributes about 65% of the GDP but the number of service tax payers is quite less. Therefore, this scheme was launched to bridge this gap and allow defaulting persons and companies to disclose their tax liabilities and file their service tax returns. He further said that VCES is a liberal and trade friendly measure. He asked the representatives of the industry to ask their members to avail the benefits under VCES 2013 and pay their due taxes and avoid interest, penalty and prosecution under Service Tax laws.

Earlier a presentation on Service Tax Voluntary Compliance Encouragement Scheme (VCES) 2013 was made. The presentation was followed by an interactive session involving the participants and the Revenue Secretary, Chairperson CBEC, Member (Budget), Member (Legal & Judicial) and other senior officers of CBEC. The main features of VCES were explained. The representatives of the trade industry explained their concern which mainly included clarity regarding initiation of audit, the eligibility criteria under the scheme and other clarifications. Some of the representatives suggested that a negative list of all those categories who are not eligible under this scheme may be prepared and circulated by the Department so that all concerned may know in advance whether they can avail the benefit under VCES 2013 or not. Another suggestion was to make a provision for an opportunity for review within the Department rather than taking any other legal course which is time consuming and expensive.

Revenue Secretary and Chairperson CBEC urged the representatives of associations to ensure that their members avail the benefits of VCES. The participants were asked to send their doubts regarding the scheme within two weeks so that the issues could be examined and a consolidated clarification could be issued by CBEC.
