



CUSTOMER FRIENDLY INITIATIVES OF CBEC AND FUTURE ROAD MAP

PRESENTATION BY
GROUP- IV

REASONS FOR CHANGE IN APPROACH

GOALS OF INDIAN ECONOMY

- HIGH GDP GROWTH
- INCREASE TAX GDP RATIO
- INCREASE SHARE IN INTERNATIONAL TRADE
- RESOLVE THE ISSUE OF BALANCE OF PAYMENT
- ATTRACT FOREIGN INVESTMENTS
- WTO TRADE FACILITATION OBLIGATIONS

CHANGE IN APPROACH

- Change of role from “Trade control and revenue collection” to “trade facilitation and revenue collection”.
- The key words adopted to change in approach are
 - (1) Ease of doing business
 - (2) Customer support services
 - (3) Trust and Facilitation

CHANAKYA’s view became guiding principle of Tax administration “ collect the tax from citizens the way a honey bee collects honey from flowers quietly without inflicting pain.”

History of Changing Approach

- **PHYSICAL CONTROL/ TRADE CONTROL**

(Till 1969 clearances in CX under physical control, 1969 to 1994 Maintenance of prescribed documents, Pre authentication of Invoices, Classification approval, permission for various procedures, 1994 gate pass were done away and invoice system was introduced)

- **SELF REMOVAL**

(1994 Removal of goods on intimation, lesser permissions, Easy record maintenance, lower tax rates, trust on assesseees)

- **SELF ASSESSMENT**

(1996 complete trust on assessee, self assessment of tax liability, easier returns. 2000 onwards monthly payment , classification list, CENVAT declaration was dispensed with.)

INITIATIVES TAKEN

- INTRODUCTION OF CITIZEN CHARTER.
- SIMPLIFICATION OF PROCEDURES
- SIMPLIFICATION OF RECORD MAINTENANCE
- SIMPLIFICATION OF RETURNS
- INFORMATION IN PUBLIC DOMAIN (Departmental websites, ICEGATE to track document status, DBK disbursement)
- DISPUTE RESOLUTION MECHANISM (Settlement Commission)

INITIATIVES TAKEN

- PREFERENTIAL TREATMENT TO STAR EXPORT HOUSES AND MAJOR STAKEHOLDERS



INITIATIVES TAKEN

- **DISCLOSURE SCHEMES**



SERVICE TAX
V**CES**

**VOLUNTARY
COMPLIANCE
ENCOURAGEMENT
SCHEME**

Service tax bharo, nai shuruuat karo

INITIATIVES (contd....)

- HELP DESKS/TRADE FACILITATION CENTERS
- DIRECTORATE OF TAXPAYERS SERVICES
- L.T.U
- RISK MANGEMENT SYSTEM (RMS)

INITIATIVES (conti...)

- ONE POINT CONTACT



- REDUCTION TO PHYSICAL INTERFACE (ICEGATE, ACES)



- RATIONALIZING PENAL PROVISIONS

HINDRANCE IN IMPLEMENTATION & SOLUTIONS

NO DEDICATED FOCUS ON TAX PAYER SERVICES

(VISION AND POLICY SHOULD BE CLEAR AND STRUCTURED COMMUNICATION TO ALL LEVELS)

TAX PAYER SERVICES ARE DIFFUSED IN THEIR DELIVERY AND SPREAD OVER MANY LOCATIONS
(STUDY BEST PRACTICES AND STANDARDISED THEM FOR IMPLEMENTATION ACROSS COUNTRY)

ATTITUDE CHANGE REQUIREMENT OF STAKEHOLDERS

(EDUCATIONS TO TAX PAYERS, CAPACITY BUILDING OF OFFICERS, INTERACTION WITH OTHER STAKEHOLDERS TO APPRAISE THE OBJECTIVES)

- INFRASTRUCTURE (DEVELOPING THE CUSTOMER SERVICE REQUIREMENT)

HINDRANCE IN IMPLEMENTATION & SOLUTIONS

- LEGAL AND COMPLEX NATURE OF LEVY
(SIMPLIFICATION OF LAWS AND PROCEDURES)
- LACK OF MOTIVATION (INCREASE INCENTIVE SUCH AS
RECOGNITION, IMPARTING TRAINING.)
- LACK OF TRUST AMONGST THE STAKEHOLDERS
(MORE INTERACTION TO RESOLVE MULTILATERAL ISSUES)
- STRUCTURED MECHANISM TO SUGGEST
IMPROVEMENT IN TAX PAYER SERVICES.
- (INPUT TO BE TAKEN FROM STAKEHOLDERS.)

FUTURE ROADMAP

- NATIONAL ADVANCE RULING FOR ZEROING DISPUTES AND TO CREATE INVESTMENT FRIENDLY ENVIRONMENT.
- USE OF TECHNOLOGY FOR ENHANCING INFORMATION DOMAIN. USE OF MORE MOBILE APPS, INTERACTIVE WEBSITES.



- GRIEVANCE REDRESSAL MECHANISM
- REDUCTION IN DISCRETIONARY POWERS
- RISK MANAGEMENT SYSTEM TO BE IMPLEMENTED IN GOODS AND SERVICES TAX ASSESSMENT/ SCRUTINY.
- UNIFICATION OF INDIRECT TAXATION SYSTEM

FUTURE ROADMAP(Contd...)

- TAX PAYER SERVICES NEED TO BE TAKEN AS RESPONSIBLE AND RESPONSIVE TAX ADMINISTRATION.
- CATEGORISATION OF TAXPAYERS TO PLAN DIFFERENT APPROACHES TO TAXPAYER SERVICES ACCORDING TO THE NEED.
- REVIEW MECHANISM OF TAXPAYER SERVICES BASED ON CUSTOMER SURVEY AND FEEDBACK FROM VARIOUS STAKE HOLDERS.
- USE OF OTHER DEPARTMENTS TO INCREASE INFORMATION DOMAIN SUCH AS AIRLINES, EMBASSYS.
- INTEGRATION OF VARIOUS TAXATION PORTALS .
- CONSULTATION MECHANISM AND LEGAL AID TO TAX PAYERS.
- SMS FOR TAXPAYER SERVICES.

FUTURE ROADMAP

- CLIENT RELATION MANAGER (CRM) TO BE APPOINTED TO ASSIST THE TAX PAYERS
- TAX RETURN PREPARER . GST SUVIDHA PROVIDER.



- TAXPAYER EDUCATION – SEMINARS, FAQ.
- PUBLICITY OF ACHIEVEMENT AND TAXPAYER SERVICE INITIATIVE TO CREATE TRUST AND POSITIVE IMAGE.

FUTURE ROADMAP

- BEST PRACTICES (CUSTOMS CADET CORPS)





THANK YOU