

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1420**  
TO BE ANSWERED ON FRIDAY, THE 4<sup>TH</sup> MARCH, 2016  
14<sup>TH</sup> Phalguna, 1937 (SAKA)

**PARTHASARATHI SHOME COMMITTEE**

1420. DR. MANOJ RAJORIA:  
SHRI SHIVKUMAR UDASI:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received Parthasarathi Shome Committee report regarding tax reforms;
- (b) if so, the details thereof;
- (c) whether the Government proposes to implement recommendations of this Committee;
- (d) if so, the details thereof; and
- (e) the steps taken/being taken by the Government for welfare of tax payers?

**ANSWER**  
**MINISTER OF STATE IN THE MINISTRY OF FINANCE**  
**(SHRI JAYANT SINHA)**

(a),(b),(c) & (d) : Yes Madam. The Tax Administration Reforms Commission (TARC) headed by Dr. Parthasarathi Shome submitted its report in four volumes containing a number of recommendations on tax administration reforms. The broad recommendations inter-alia include changes in structure, improvement in taxpayers service, enhanced use of Information and Communication Technology, exchange of information with other agencies, strengthening of human resource management, Key Internal Processes, Customs Capacity Building, Impact assessment, Expansion of Base, Compliance Management, Revenue Forecasting, Predictive Analysis and Research for tax Governance etc. These recommendations are at various stages of examination/acceptance/implementation. The recommendations of TARC accepted and implemented so far may be seen at Department of Revenue's website [www.dor.gov.in](http://www.dor.gov.in).

(e) A number of steps have been taken to facilitate the Direct taxpayers which inter-alia include measures aimed at reducing litigation, setting up of a dedicated structure to deal with grievances of the taxpayers, simplification of procedures, enhancement of e-facilities including electronic verification of Income Tax Return, e-Sahyog etc.

Further, for the welfare of Indirect Tax payers the following steps have been taken:-

- Establishment of 24X7 Customs clearance facility in 17 airports and 18 seaports.
- Customs Single Window Clearance Project for faster Customs clearance.
- Implementation of e-BRC (BRC –Bank Realization Certificate) module
- Establishment of Help Desk at prominent places at international airports for facilitating passengers including business travelers.
- Reduction in number of export and import documents required by Customs from 5 to 3 so as to reduce transaction cost.
- Integrated Customs EDI – SEZ Online system to facilitate paper-less movement of export and import goods between SEZs and Gateway ports.

- Customs Accredited Client Programme (ACP) reviewed with a view to allow a graded re-entry to disqualified ACP clients to facilitate major importers.
- Rationalization of penal provisions in Customs, Central Excise and Service Tax.
- New Central Excise/Service Tax registrations to given within two days of filing of application, with post facto verification if required.
- E-payment of service tax and central excise made mandatory for all assesses/taxpayers to reduce the cost of compliance for the trade and industry.
- Acceptance of Digitally signed invoices and providing for maintenance of electronic records with duly authenticated digital signature.
- Direct dispatch of goods allowed for job workers as well as registered dealers and importers.
- Time limit for availing Cenvat Credit increased from 6 months to One year.
- Circular issued extending facility to pay arrears in installments extended and for amendment of Garnishee order.
- Rules amended to provide clarity regarding valuation of goods in Central Excise when the transaction value is below the cost of manufacture of goods.

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