

E-filing Must for Those Earning More Than ₹5 L and Wealth Tax

Bid to minimise the interface between assessing officer and the tax assessee

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NEW DELHI

Taxpayers with annual income of over ₹5 lakh will now have to file their returns in electronic form, a senior finance ministry official said on Tuesday. The threshold limit for e-filing of returns was ₹10 lakh last year. The e-filing allows for faster processing of income tax returns and settlement of errors and omissions.

Even the wealth tax returns will now have to be filed electronically.

"Income tax returns for the group above ₹5 lakh, all such returns will be e-filed. This is a move towards using technology so that the interface between Assessing Officer and assessee is minimised," Revenue Secretary Sumit Bose said at a Ficci event in Delhi.

Bose also said that the tax department was making efforts to widen the tax base and targeting PAN holders who have not filed returns.

The department has already sent no-

tice to 35,000 such taxpayers and is in the process of sending 35,000 such notices. The Finance Bill 2013 has inserted a provision to facilitate e-filing of wealth tax returns. "In order to facilitate electronic filing of annexure-less return of net wealth, it is proposed to

The e-filing allows for faster processing of income tax returns

insert new sections 14A and 14B in the Wealth Tax Act on similar lines... The amendments will take effect from June 1, 2013," the Memorandum to the Finance Bill 2013 said. The revenue department also defended the stringent provision that include arrest of service tax defaulters to check rampant evasion of taxes. "On service tax side, in the recent past where they (assesseees) have blatantly misused the provisions, particularly in those cases where they have recovered the money from people and not given to government," CBEC Chairperson Praveen Mahajan said at

the same event, pegging the evasion at ₹200 crore to ₹400 crore.

Only 7 lakh out of 17 lakh registered service providers filed returns last year.

The Finance Bill 2013 has through Section 91 provided for powers to arrest a person for specified offences, particularly non-payment of collected service tax. Failure to deposit service tax amount exceeding ₹50 lakh could result in imprisonment of up to seven years if the bill is passed. "We are non-adversarial. Power to arrest have been given to Commissioner. There are enough safeguards.. The (provision) will be reviewed from time to time. So there is no reason to be concerned," she said.

The bill also provides that offences relating to excise and customs duty evasion of over ₹50 lakh would be made cognisable and non-bailable. Customs collection during 2012-13 is estimated at ₹1.65 lakh crore, as against the target of ₹1.87 lakh crore. Excise duty the realisation is likely to be ₹1.72 lakh crore, compared to the target of ₹1.94 lakh crore.