

Government open to be corrected on IDS scheme: Meghwal

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Minister of State for Finance Arjun Ram Meghwal (Facebook) Minister of State for Finance Arjun Ram Meghwal on Monday called upon the industry to make legitimate suggestions in case they find flaws with the Income Disclosure Scheme (IDS 2016).

"Industry should come out in open and make legitimate suggestions in case it finds certain flaws in the scheme... the government is open to stand corrected. Although, the scheme has been designed in a manner so that its inclusiveness is retained at all cost," Meghwal said at the conference on IDS 2016 organised by PHD Chamber of Commerce and Industry.

He asked India Inc to weigh the pros and cons of the scheme with positive mindset and accordingly make honest disclosures and reap their maximum benefits.

"The scheme has been designed to profit those that have hitherto refused to disclose their evaded income," he said.

"Now with this scheme in place, the Modi government has made it amply clearer that disclosures hidden with ulterior motive by tax payers should not be spared at the cost of those that have been making honest declaration of their income at an average rate of 30-35 per cent," the minister added.

The government recently announced relaxation in the time schedule for making payments under the four-month window to declare their undisclosed income and assets, that started from June 1, 2016.

Only a minimum amount of 25 per cent of the tax, surcharge and penalty needs to be paid by November 30, 2016, while a further 25 per cent of the tax, surcharge and penalty is to be paid by March 31, 2017. The balance amount needs to be paid on or before September 30, 2017.

Union Finance Minister Arun Jaitley had said that the government is looking to gradually put an end to the mindset of the assessee which makes him believe that he can evade the payment of taxes. Warning the defaulters, who are refraining from making use of the IDS' four-month window, he had said that such people are taking a big risk as for the taxman detecting violation is going to become easy with increasing technology.