

ICRIER–KAS

*Practical Aspects of Indian
Tax Policy*

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Expectations

- Simplicity and certainty in fiscal laws
- Progressive tax policy framework
- Efficient and effective tax administration
- System and administration aligned to changing dynamics

Recent Trends...

- Increased collection of revenue vs. certainty
- Pace of reforms like introduction of GST
- Phasing out exemptions / deductions vs. Industry support
- Increased information request
- Implementation troubles
- Focus to tackle parallel economy

...Recent Trends

- Dichotomy in legal framework and its application
- Scope of source based taxation expanding
- Novel interpretation of existing law
- Discarding settled interpretations
- Zealous enforcement of WHT rates
- Aggressive approach aimed to widen the tax base

Resulting in increased litigation

Way Forward

- Closer dialogue between Industry and policy makers required
- Guidance and rationale for introducing/ changing policy be provided
- Judicial interpretations must be respected
- Avenues to mitigate litigations/ achieve finality must be enhanced
- Tinkering with policy framework be avoided

Thank you!